



House of Assembly  
Nova Scotia

**HALIFAX, WEDNESDAY, APRIL 5, 2023**

**SUBCOMMITTEE OF THE WHOLE ON SUPPLY**

**6:09 P.M.**

CHAIR

Nolan Young

THE CHAIR: Order, please. I call the Subcommittee of the Whole on Supply to order. It is now 6:09 p.m. The subcommittee is meeting to continue the estimates for the Department of Environment and Climate Change as outlined in Resolution E7 and we're going to resume with the NDP round of questioning. The NDP has 40 minutes remaining.

The honourable member for Dartmouth North.

SUSAN LEBLANC: Hello again, everyone. This past December the department released regulations to require a Class 1 environmental assessment for large scale hydrogen projects, which is a lower standard assessment than the more stringent Class 2. We've heard concerns about this decision to fast-track these applications. I'm wondering if the minister can explain how the department decided to use Class 1 assessments instead of Class 2, and were there any reports and research conducted that can be tabled?

THE CHAIR: The honourable Minister of Environment and Climate Change.

HON. TIMOTHY HALMAN: Good evening, everyone. This is an exciting new sector emerging in Nova Scotia. However, I do want to challenge the notion - the member indicated that Class 1 is a lower standard. That's not the case. A Class 1 environmental assessment is a rigorous assessment. It's an assessment that involves a 50-day period of analysis. That can result in various decisions rendered by the minister - approvals, approvals with terms and conditions, requests for more information.

As this is a new emerging sector, which we're very excited about, when the Premier talks about Nova Scotia being a global leader in clean renewable energy, green hydrogen is a key component of that. As we designed rules and so forth around green hydrogen, we clarified some of those rules - as such, creating a foundation for green hydrogen to exist within a regulatory framework. As minister, I'm confident in the decision that was made.

When it comes to our environmental assessments for both Class 1 and Class 2 - which are both very rigorous - each has its various paths to compliance. I'm confident in the regulatory framework that we have - also recognizing through the Environmental Goals and Climate Change Reduction Act, we have committed to environmental assessment modernization.

[6:15 p.m.]

If you look at EGCCRA, that commitment is to be fulfilled by 2024. That work is already under way internally within our departments. Just seeing the volume of EAs that have come in between 2018 and 2021, the increase - as I mentioned and highlighted in my introductory remarks - we know our policy division is going to be called upon more and more to assess these. EA is a tool used to figure out the impacts on the environment, the mitigations that could be taken, the potential impacts on human health, so absolutely fundamental in the protection of the environment and human health, and the Class 1 environmental assessment with respect to green hydrogen was the proper way to go.

The specific changes that we made - I just want to address that - clarify the regulatory path for green hydrogen, but they also maintain very high environmental protections and standards. We've also developed a one-window approach and have dedicated staff to help those involved navigate our environmental regulatory process. You know, our team knows that in order to get compliance with regulations, we need to have understanding. That understanding is facilitated by our great staff, but also along with two new roles that we've created - business relations managers.

To reiterate, the Class 1 was a very comprehensive process that was suitable for this particular project, and along the way we've clarified the EA rules as they pertain to green hydrogen. This is Nova Scotia at the forefront. We are the first jurisdiction in North America to have approved a green hydrogen project. Certainly, I know when I was at COP15 in Montreal, when I had a chance to meet with other ministers, you could tell they were curious in terms of what developments were taking place in terms of the environmental assessment process.

This is a sector that so much renews my faith in tomorrow because it speaks volumes to humanity's ability to adapt to our changing climate. Green hydrogen for export, and subsequently domestic use, will be a fundamental component in our clean renewable energy strategy moving forward.

SUSAN LEBLANC: Is there a component of the Class 1 assessment that involves community consultation?

TIMOTHY HALMAN: I'm really pleased you asked this question. The environmental assessment process is a key component of my professional life, and early on in my mandate as minister, it became evident that a lot of Nova Scotians don't know much about Class 1 and Class 2 environmental assessments. At times, the media conflates the two.

My team put together a really good infographic that can be found on the Nova Scotia Environment and Climate Change website, that explains the various steps in Class 1 and Class 2. With respect to Class 1 environmental assessment there is a robust, comprehensive community consultation process. It's a 30-day process. Along with that, once that is completed, all of it is transparent; it can be found on our website. The comments that are put forward by community members are then given to me. In terms of the decision-making process for the minister that is part and parcel of that process - to review those comments very thoroughly.

Along with that, you have Mi'kmaw consultation. Our duty to consult is fundamental. I'd definitely encourage the member to have a look at that infographic on the Nova Scotia Environment and Climate Change website. It's really good. It outlines quite well what Class 1 entails along with Class 2. But absolutely community consultation is fundamental in any environmental assessment, both Class 1 and Class 2.

SUSAN LEBLANC: There are growing concerns that the federal climate action incentive payment will be insufficient to offset carbon pricing for most Nova Scotian families, and it's been suggested that a provincially designed program with provincially managed funds could have better allocated the funds to Nova Scotians. Is this something your department considered in its analysis, and could you please provide us with a copy of that analysis?

TIMOTHY HALMAN: Just for purposes of clarity I'd to ask the member to repeat the first part of her question.

SUSAN LEBLANC: There are growing concerns that the federal climate action incentive payment - you may not recognize that but that's the official title - it's not a title that your government is used to using - will be insufficient to offset carbon pricing costs for most Nova Scotian families, and it has been suggested that a provincially designed program with provincially managed funds could have better allocated these funds to Nova Scotians. So, could you provide us the analysis that you did that helped you understand the reasoning for not doing this in Nova Scotia?

TIMOTHY HALMAN: Okay, the federal climate action incentive payment, or the pedestrian way of course, of saying that is the carbon tax. In the fall of 2021, I engaged in

two conversations with federal Minister of Environment and Climate Change Steven Guilbeault, over the phone. In those two conversations - good conversations, very upfront discussions - I outlined the position of the Nova Scotia government, which was no to a federal carbon tax on the consumer side. Then from there we engaged in discussions in looking at options. Right from the beginning the federal minister was aware of the Nova Scotia government's position on this, and why was that?

Certainly you could tell, based on the economic projections where inflation was going. Leading economists at the time were saying we were about to enter a period of inflation not seen since the late 1970s and early 1980s. I can certainly recall my father telling me about how challenging those times were with inflation with record interest rates at that time.

I'm one and the Premier is someone who believes that policy should never be seen in isolation. You need to see how policy X is going to impact outcome Y, and as a result of that, we were very clear with the federal government that a carbon tax on the consumer side was not the best policy approach for Nova Scotia. Not only for Nova Scotia - if I can say this and be so bold - but for the whole country, in a time of record inflation.

Many years ago the debate on carbon tax was - this was going to be, I remember these debates going back to the leadership of Stéphane Dion in the mid-2000s when he was the federal Liberal leader and trying to advance this. The idea here is to change and modify behaviour. Okay, we get that, of course, we need to lower our carbon footprint, and often taxation can be used to change behaviour. One just needs to look at the evidence with smoking over the years, the impact taxes on smoking had on behaviours of people who engaged in that activity.

Certainly the market in our estimation has done that. The market and its forces have created an increase in gasoline, but guess what? As the Department of Finance and Treasury Board has indicated, in this province, people do not change their driving patterns no matter what the cost is because people still need to get from point A to point B. They still need to work.

The Premier and I believe Nova Scotians want practical and realistic alternatives to fossil fuels. From there we put together the better than a carbon tax plan which highlighted our aggressive targets, which highlighted our forthcoming climate plan, which now has 68 goals to lead us over the next 5 years to adapt to the realities of climate change and mitigate its impacts.

Throughout the discussions we were very clear with Ottawa that we would submit a comprehensive plan as an alternative to the carbon tax on the consumer side, which we did in August of that year. Subsequently, Ottawa did not accept that which I'm of the opinion is because I think the outcome is like professional wrestling - it was predetermined at the end because they wanted this to be national policy.

On the other side, the industrial side, we put forward a provincial-based, Output-Based Pricing System which was subsequently accepted by the federal government. Thank goodness because if it hadn't, and if the federal backstop on the industrial side had been imposed, that would've resulted in a 7 per cent increase to ratepayers versus the 1 per cent potential rate increase through a provincially run Output-Based Pricing System.

Since the decision was rendered to impose the federal backstop on the consumer side, the carbon tax, staff in my department have engaged with the federal government, specifically, Environment and Climate Change Canada, to ascertain the methodology by which they arrived at the rebates which they are going to administer to Nova Scotia. We certainly had our concerns in terms of how they were going to arrive at those rebates.

[6:30 p.m.]

I don't think you have to be a mathematician, or statistician, to figure out that in all likelihood there's going to be an imbalance between the quarterly cheques that would be say given to a family of four, which I believe is calculated at \$248 quarterly, versus what you'll pay at the pump.

Well, lo and behold, just a few days ago the Office of the Parliamentary Budget Officer in Ottawa validated, quantified, provided the quants to validate, that yes, absolutely, Nova Scotia is going to be disproportionately impacted by the carbon tax at the pumps which will as of my understanding, when that happens, the federal excise tax occurs will result in a 14.2 per cent increase at the pumps, and a 17 per cent increase on home heating oil, propane, and so forth.

Now let's stop and think about that. This whole time in the Legislature we've been talking about affordability, we've been talking about the importance of supporting Nova Scotians, especially those of low income. The most clear and present danger to the affordability to Nova Scotians is the forthcoming carbon tax on the consumer side.

Stop and think about that for a moment. A 14-cent increase at the pump. How can anyone in good conscience allow that to happen? The Premier has been clear, I've been clear. We think this is bad policy, not only bad economic policy, but also very poor environmental policy especially when we have an opportunity to put forward other alternatives.

This is a province that is emerging as a clean renewable superpower. You see that in the emerging green hydrogen sector. You see that working with us, with the federal government, for the development of offshore winds. You see that with the development of tidal energy, but unfortunately, Nova Scotia is encountering some issues with that with respect to some of the regulations with the Fisheries and Oceans Canada.

We did a thorough analysis. Decisions were made based on facts and evidence and based of course on what we believe is the best trajectory for the province within the context of sustainable development. Certainly, a carbon tax on consumers in a time of historic inflation is not appropriate, and I would ask the honourable member what her position is on the carbon tax which will be imposed on this province by the federal government on Canada Day.

SUSAN LEBLANC: I'm not going to take that bait, Mr. Chair, but I will say that that was not actually the question I asked you. The question I asked you was about the rebate, and you did not answer that. I will move on.

This December, this government released a comprehensive climate action plan which we've heard about several times with 68 actions, which we've just heard about, most of which will require funding to accomplish.

We're concerned that regardless of how ambitious the plans may be, without proper funding they won't be met. I'd like to ask, can the minister clarify how much will be spent on these 68 actions this fiscal year, the one that has just started? How many of the actions will receive funding? Which of those actions will receive funding?

TIMOTHY HALMAN: A very important question. Just returning to the notion of the rebates, I'd just like to highlight - I mean this is a federal tax, so any questions on those rebates, since it's administered by the federal government, imposed by the federal government, facilitated by the federal government - those questions are to Ottawa.

I encourage the honourable member to reach out to their local member of Parliament. We've certainly tried. Most recent outreach we did to try to figure out the methodology on the rebates was in early March. We haven't received, and we have a great relationship with Environment and Climate Change Canada, but we didn't receive any outreach or response on those rebates.

It's a federal tax. Talk to Ottawa about that. With respect to our provincial climate plan, since forming government we have invested \$300 million in climate change initiatives, and these are investments that make a huge impact on the lives of Nova Scotians.

Last year, in 2022-2023, the Nova Scotia government invested \$53 million from the Green Fund. This fiscal, we'll be investing \$41.4 million from the Green Fund. So \$34.4 million has been invested towards the climate plan. In addition to that, as indicated last night, there's an allocation of \$6,994,000 more that will go towards climate initiatives.

We absolutely have the road map. We have a strategic vision over the next five years outlined by sixty-eight goals. Financed significantly by the government through the

Green Fund, which will over time turn into the Climate Change Fund as we transition to our Output-Based Pricing System.

I think it's in the book of Ecclesiastes: "Where there is no vision, the people perish." Well, I can tell you there's vision, absolute clear vision as to where we want to go in terms of climate adaptation and mitigation. Previous governments didn't have that. The last climate plan for Nova Scotia was developed in 2009. Then the last risk assessment was put out in 2005.

These were huge gaps, and I can tell you in terms of policy development, having that climate plan creates certainty within the government. It creates certainty with the Department of Finance and Treasury Board. As submissions come forward that we can not only say, This aligns with ministerial mandate letters, but it also aligns with a plan that we've established for Nova Scotians.

Then outside of that, let's not forget, \$20 million for the Nova Scotia Crown Share Land Legacy Trust that will go to help us, I mean this is a real game changer, to assist us in meeting our 20 per cent land target. And even there with that, we're going to get more foundational approaches as we develop our plan for this year to get to 2030 for that 20 per cent. Very, very happy for government to have worked with the Nova Scotia Nature Trust, and people like Bonnie Sutherland. This was significant, and to borrow a phrase from Minister Rushton, Talk about a joyous occasion when we had that opportunity in Sackville with the Minister of Fisheries and Aquaculture and the Minister of Justice to make that announcement on the \$20 million investments.

Then of course, \$140 million that was invested by this government for energy efficiency for the Oil to Heat Pump Affordability Program. These are significant investments that will make a big difference in the lives of Nova Scotians in their day-to-day existence, but also in terms of our climate adaptation.

In summary, this fiscal year we've put \$34.4 million towards the climate plan, and \$7 million on top of that for a total of \$41.4 million. Significant investments - this year, last year, for a total of \$300 million. Not bad at all in my estimation and we're just getting started because this is an absolute necessity, climate adaptation and mitigation.

SUSAN LEBLANC: Again, that wasn't my question. My question was which parts of the climate action plan are being funded, and I'd love for you to table that at some point.

What is budgeted for the protection of lakes? Since 2019, as the minister will know, our caucus has been asking this department to take greater action to protect lakes, namely by convening an urban lakes commission, and enhancing staffing and resourcing of the department staff who work with lakes.

Is this minister - because I know that past ministers have not entertained it - is this minister considering this option, and is the money for this urban lakes commission in the budget?

TIMOTHY HALMAN: Certainly, like yourself as a resident of Dartmouth, lakes are an integral part of our identity. I remember growing up on Swanton Drive near Bell Lake, and learning to swim at Bell Lake where the famous Abenaki Aquatic Club is. My children like many other thousands, hundreds of thousands of Dartmouth kids learn to swim on the shores of Lake Banook. I can remember swimming there when the Mic Mac Rotary was still there, and lakes are an integral part of the identity of Dartmouth.

But not only that, it's the identity of Nova Scotians. I mean there are 9,000 lakes in this beautiful province - it's so key in terms of who we are as a people. When one travels this province, you just see our identity attached. I have very strong connections to Clare. There is a lake in Clare named after my late wife, Thibault Lake. It's remarkable. Anywhere you travel, families have such strong connections to the lakes, and the health and vitality of their lakes.

We take such great pride in the health of the lakes. I know that as a Dartmouth MLA, I was very honoured to steward funding for Lake Banook. To the Banook Canoe Club \$3 million for upgrades for accessibility, \$1.5 million for the finish line tower. These investments are key to the identity of our communities, and I certainly in my time serving, not only as local MLA for my community but travelling throughout the province, I just want to highlight how important I recognize our lakes and bodies of water are to who we are in this province.

Look, we've done a lot of work and I'm extremely proud of my staff. Extremely proud of my staff in terms of the work they have done to ensure the protection of our lakes. I want to ensure not only residents of Dartmouth, but all Nova Scotians, that we are taking steps to modernize our regulations that protect our lakes.

As I mentioned last night, if a regulation was designed in the early 1990s, when a lot of Canadians still smoked and they were using typewriters, it's probably time we updated our regulations. I'm very pleased with the work we're doing. We're developing new sediment and erosion, and coastal guidance regulations. We're working with the Department of Public Works on new guidance and guidelines for sediment management. We're establishing water quality objectives. We're hiring a second watershed planner, starting in about a month, and we're hiring a new water resources data management specialist. All these modernization approaches will only help protect the health and vitality of our lakes but they are also necessary.

All change comes out of necessity and it's absolutely necessary for us to update regulations such as this because the population of this province is growing exponentially. In many cases we've won the lottery in Nova Scotia with all this population growth - the



unbelievable economic opportunities that will come with that, the unbelievable opportunities that we're going to see as we become a much more multicultural province, a much more diverse province.

[6:45 p.m.]

Along with that we need to make sure we have the proper regulations in place to ensure the protection of what we believe to be our most precious resources - our lakes and our waterways.

I know there have been a lot of questions with respect to an urban lake strategy. I always encourage communities to work together to come to my department with their concerns. I truly feel that the greatest way to protect our lakes is to update our regulations, which is what we're doing. We're working to update the sediment that goes into our lakes, the regulations that govern that.

There's a lot taking place and certainly I want to highlight to the member that they can reach out to our department at any time to engage in discussions. I know there have been great engagements in the past with my staff and I encourage you to do that.

Throughout Nova Scotia I think there are many different community groups that rightly so, advocate for the health of their lakes and water bodies at the municipal level and the provincial level. This was such a priority for me as minister, we had this embedded in the Environmental Goals and Climate Change Reduction Act to update our regulations for the protection of our lakes.

Mr. Chair, I think there's a lot taking place and I look forward to updating members and all Nova Scotians once we finalize these regulations.

THE CHAIR: The honourable member for Dartmouth North, and just a reminder that we go to 6:49 p.m.

SUSAN LEBLANC: Oh yes, thank you very much, Mr. Chair. I can't wait to take one of those regulations and plop it on a blue-green algae bloom and see if that fixes the problem. I kid; I understand that some of those regulations are important.

I'm going to change from lakes to the coast for a second. The minister referenced in his opening the circular economy. Is the minister aware of the excellent work being done toward end-of-life recycling for fishing gear? Is there any money in the budget to support these initiatives happening in Nova Scotia?

TIMOTHY HALMAN: Yes, I am aware. I meet with many different groups that are advocating many different things. Of course we have the Minister of Fisheries and

Aquaculture with us here - no doubt this could be a question posed to the minister. Also, as you obviously know, the federal government is responsible for regulation of our oceans.

THE CHAIR: Order. That concludes the round of questions for the NDP. I will move to the Official Opposition.

The honourable member for Annapolis.

CARMAN KERR: Thank you, Mr. Chair. Thank you, minister, for being here, thanks to the staff for being here as well and to my colleagues.

My first questions - and I am going to be on here for only part of the time - my questions are around the spray program of glyphosate. I think the minister might have known that I would have asked about this.

A bit of background: I have written to the minister, spoken to the minister about this, spoken to staff or senior staff in the room. I want to say that staff were exceptionally helpful during the program, returned all my calls, returned all my emails, met with me. However, I do want to give a bit of context. It shut our MLA office down. We had so many inquiries in August to September that we couldn't get to health concerns like we should. We couldn't get to people who had a need. We couldn't get to housing issues. It completely shut us down and we had to hire more staff. That's the context and the gravity of how important it was to people in our riding but also the challenges it offered.

The spraying was delayed. There were multiple infractions or challenges - I don't know the terminology - where the terms and conditions weren't followed. Rather than critique and scream and yell from the rooftop, I set up a working group and it was a few people who had worked on policy in government before, people who knew terms and conditions, people who knew a lot about the environment. We tore the terms and conditions apart. We submitted recommendations, 15 or 16 I believe, and I met with senior staff who looked through those with me.

I think it's fair to say that staff agreed that they were common sense and there's probably a number of them that the goal being not just helping us communicate to the public but also for staff within the department to make things more clear, give better PR and keep people better informed. All to say that's the background.

I'd like to quickly, just to catch everyone up to the present day - this is a letter sent or an email sent to senior staff:

As mentioned, I believe, the terms and conditions for the spray program should be amended, placing more responsibility on the applicant, offering more clarity to the public we serve and allowing staff better ability to ensure the process is followed correctly.

I then go on to thank staff for their help:

I believe that aerial spraying of glyphosate should be considered on a moratorium basis, given the concerns of representatives and the hundreds of constituents that have reached out to our office directly. I believe that the ground application of this product would be in line with our agriculture industry, several other industries and lead to more economic development opportunities for local workers. Our farm, several farms use this product. I have been clear with the public about that but I do have to acknowledge that several community leaders and representatives are pushing for either a halt or a hold or a ban.

I'll just continue quickly:

In the meantime I believe that if the terms and conditions are not followed the applicant should not be permitted to modify their application or complete the spray program that same year. As it stands, the applicant is given several opportunities to correct mistakes throughout the process with no perceived penalty or repercussions. This leads to more work for staff, more confusion and anxiety amongst the public and something my office and I hope your department would like to remedy.

Rather than go on and on, just to give a bit of context on that, I do want to take a piece from the County of Annapolis. They sent the minister, me, and others a letter: "The County of Annapolis, as of November 3, 2021, is asking the province to cease issuing permits for aerial spraying of herbicide and pesticide over lands located in the County of Annapolis."

My first question would be: Will the minister consider ceasing to issue permits for aerial spraying outside of high-production forestry zones?

**TIMOTHY HALMAN:** I want to thank the honourable member for this really important question and the advocacy and the great work he has been doing in giving voice to these concerns. I have strong connections to Southwest Nova, and Clare specifically, so I know there have been a lot of community concerns, in the Valley, in Clare, in Digby County. Obviously our role, as elected officials - a key role for us is to give voice to what we're hearing.

I want to take a moment to commend the member for the work he has done. It's a testament to what our function is. I've heard that as well and I encourage the member to keep working with the staff in the Kentville office and our staff in Inspection, Compliance and Enforcement.

I know Nova Scotians have concerns about glyphosate. Certainly early on anyone who sits in this chair, there are some common concerns and themes throughout the years. In point of fact, as many know, it's the federal government that says that this product is safe. As the member knows, they make the determination, it's Health Canada.

On the provincial side we regulate how it is used. We are the decider, in terms of the approval of programs. I want to assure the member that my staff is closely monitoring what is happening not only in your community but specifically in Southwest Nova and we're going to be reviewing all the terms and conditions. That is our commitment because a great job has been done here in articulating this.

I have directed staff to first review and then subsequently update the notification procedures. I certainly heard some concerns from residents in Southwest Nova about this. This really came to my attention - again, it's all pretty authentic. The boys in Church Point go for coffee every morning and it turned out a notification - they were talking about how a notification didn't go out en français, and rightly so. I mean, there are 7,000 French speakers in that community and we want to be respectful to their first language. That has been corrected; that won't happen again.

I want the member to know that we are going to be updating those notification procedures and the team currently is examining that and I hope to have a further update. I want the member to know - let's connect. We're going to connect you further to discuss this.

I think there are things internally that we can tighten up in terms of notifications going out. I want the honourable member to know there will be ongoing conversations not only between him and me but in terms of our frontline staff who do this.

CARMAN KERR: First, I didn't know where that was going. If we were going to talk about kids swimming, I'm happy to hear that - I certainly wasn't fishing for compliments, more that the community is heard - certainly appreciate the minister acknowledging that he is aware of the issue. One of our 15 or 16 recommendations was to have notification in our second language or in our first language, depending on where you are living, so it's good to hear that. Rather than go through all the recommendations, I know staff and the minister - I trust the staff and the minister can discuss those. Certainly good to hear that at least one of those will be looked at and that it is acknowledged that they are common sense and practical and should save a lot of work for staff, and I hope save some time and energy and anxiety for people I represent and the staff who work with me.

I do want to read part of a letter just to acknowledge the Town of Annapolis Royal. This is from the mayor I represent, to both the minister and the Premier. I won't read the entire letter but the second paragraph reads as follows: "On behalf of the Town of Annapolis Royal, I request that a moratorium be placed on the aerial spraying of herbicides

until a formal report on the net benefits or net losses of such activity to the residents of Nova Scotia can be obtained by requisition of the provincial government.”

[7:00 p.m.]

So I certainly acknowledge the comments made by the minister but I wondered, Does the department currently have a report as such, and if not, would the department or is the department and the minister considering said report?

TIMOTHY HALMAN: I certainly want to acknowledge receipt of that letter and having read that letter and again, understanding that that letter gives voice to I think a lot of concerns that are coming from that part of the province.

As the member knows, at the end of the day it is Health Canada that approves this, that determines its safety. In the continuing work that will be conducted on behalf of your office in Annapolis, I encourage you to expand the outreach to the federal government. Certainly we follow Health Canada’s guidance on this and then on our regulatory side we approve the programs.

I certainly encourage the member to continue his outreach. I think we could expand that to the federal government but rest assured, we’re closely monitoring and internally looking at making the notification procedures much more efficient in terms of communicating to communities when spraying will be happening.

At the end of the day, it’s Health Canada that gives approval to this. Of course, just to reiterate, those approvals at Health Canada, like our department which is regulatory, there are rigorous, science-based assessments that are done. I certainly encourage community members throughout Nova Scotia to also reach out to Health Canada if they have concerns. They can always reach out to us as well.

CARMAN KERR: I am already running out of time so I guess my last question maybe on this topic would be in response to constituents I was copied on, I don’t know how many, let’s say hundreds, plural, letters or emails. The response included a paragraph:

“Licencees” - these are applicants - “are encouraged to minimize the use of herbicide by using innovative practices such as precision mechanical tree planting combined with microsite application of both herbicide and fertilizer. As these and other practices, including those that do not require herbicide, become more commonplace and feasible, they will significantly reduce the required volume of herbicide and ultimately eliminate the need for broadcast applications. The department is looking at how it can support the industry by researching new practices.”

My last question would be around what these new practices are that the department is considering. Will any of these be implemented before permits are granted in the current season?

TIMOTHY HALMAN: With respect to those new practices, those herbicides - certainly this is something, innovation like that - we always encourage industry to come up with those innovations.

Certainly I'd advise the member to speak with DNRR. He'll have a conversation with my twin - I have a better haircut than he has, though. I think this is an important question and certainly I'll encourage my staff to work with you to come up with ideas.

I think this is something that DNRR should look into as well, in terms of a conversation, in terms of new practices in herbicides. Again, we obviously always encourage innovation from industry if they want to use a new practice and so forth. We regulate on that side but as always, we always encourage innovation.

CARMAN KERR: Switching gears, something I brought up to the minister last year during Estimates was the Arlington Heights C&D Landfill. The issue is still top of mind for the community. I have talked to senior staff in the room about this, trying to be practical and looking for solutions. Would the minister - or senior staff and the minister - commit to meeting with the community and myself, in the community, to discuss this?

TIMOTHY HALMAN: We take all reports seriously. Staff is currently doing a review of that report. I'll be getting an analysis from staff as to that report, so we have that. There's an ongoing review taking place. Obviously for any Nova Scotians, if they have new information, if they have a report that they want us to look at, I want Nova Scotians to know that our department, which is regulatory, which makes decisions based on facts and science and the quantitatives, we'll look at that.

I understand that the community liaison committee has been re-established. My understanding is that there will be the first meeting of that on April 12<sup>th</sup>. It is my hope, as minister, for your community that this will be a great outlet for dialogue. I think that has been missing in this; to have that CLC re-established I think is key.

I'd never miss an opportunity to visit the beautiful Annapolis Valley, so absolutely (interruption) - I don't know if I'll be there April 12<sup>th</sup> but my commitment is because I think we need to get that CLC up and running. As we get into the late Spring-early Summer I'd be honoured to visit your community and listen to the concerns of your residents.

I remember this coming up last year. Obviously I want Nova Scotians to have assurance in our regulatory framework. Sometimes that is showing up and being there and answering questions.

In the weeks ahead let's chat and we'll establish a date. We never want to miss a chance to go to beautiful Annapolis Royal.

CARMAN KERR: Very good. It would be nice to see the minister down our way. It is nice to hear the community liaison committees. That was part of my questioning. Again, a shoutout to senior staff in the room. I don't know if I am allowed to name-drop, but I certainly appreciate that suggestion. I knew that committee had stopped working, we'll say, and it's good to hear that there's a date set and they're back working together. I'd like to be part of that if I am of any benefit to getting a solution.

A couple of little specifics: There have been concerns - I forgot for a moment that I didn't give any context. I forgot that we've been talking about this for a year off and on with staff. There were concerns about asbestos. It is an asbestos hazardous waste disposal facility in the beautiful Annapolis Valley with a great view. It just doesn't seem to fit in but I know there is new ownership. I am encouraged by the new committee.

There are some concerns. The minister just alluded to always being open to new science and new reports. There is a new report - I believe it was submitted to the department - called the Hubley report. It does talk about - or it does conflict - with the department's stance that the soils are impermeable, which was one of the arguments for why there shouldn't be concern for water samples, et cetera. This report, the Hubley report, is contradicting that, supposedly. I haven't seen the report but I guess I'm just throwing that out there to the minister that there is a report that was submitted and I hope is considered.

One last thing on the actual site: Many members of the community - it seems to grow month after month how many people contact me about this - apparently in December 2022, there was an unauthorized bulldozing of a wetland, 2.5 hectares. Could the minister confirm if that's accurate? If that is accurate, what is being done to address it?

TIMOTHY HALMAN: My understanding is that there was an infraction in November 2021. As the member knows, charges were laid. However, the most recent update information I have is that this is still going through the court system. Hopefully we'll get some information soon from that system but currently my understanding is it is going through the court system. Once we have some information, we could probably relay that to the member.

CARMAN KERR: Again, thank you to the minister and to staff. Mr. Fuller, thank you very much, if I am allowed to do that. Mr. Cuthbert, if you are listening, he has been awfully helpful. He was the one - not supposed to do that? My apologies. It's already out there, but those two specifically whom I have dealt with and I won't mention but the latter name dealt with repeatedly through August, September and, like I said, always returned calls and emails. There was no fluff or spin, just straight to the matter and let's get on with it.

THE CHAIR: The honourable member for Timberlea-Prospect.

HON. IAIN RANKIN: I just want to ask a question that relates to forestry because it came up with my colleague on spraying. I am actually interested in one particular part of the Lahey report that relates to the Department of Environment and Climate Change and that's the requirement for an equivalent of what is a Class 2 environmental assessment. I know the terms of reference were put out - I think it was a tender - back in 2019-ish. I know it was pre-COVID-19. A number of years have passed - and this was asked to the Minister of Natural Resources and Renewables - but as the lead department on it, environmental assessments, I wonder if the minister can give an update on when that process will be in place to give a more rigorous, more comprehensive process for looking at the landscape before forestry activity is approved, especially since it was very clear in the Lahey report that there shouldn't be any long-term agreement signed with groups.

When the Port Hawkesbury Paper one was signed, the reason given was there was an option - I remember this option, they were asking for it for many years - for an extension because they could sign it 10 years early but I think in the spirit of the Lahey report it is definitely an important recommendation to have that environmental assessment in place so that there is a true independent panel that can look at it and a very public process, as opposed to a map viewer that gives very limited access to the public.

TIMOTHY HALMAN: I want to thank the honourable member for this very important question. I want the honourable member to know and be aware that we continue to engage with Natural Resources and Renewables on this very important component.

None of the previous work will be lost on this as we move forward. In the Environmental Goals and Climate Change Reduction Act, we have the commitment of EA modernization by 2024 and elements of that landscape for forestry will be considered as we look at EA modernization. However, the work is ongoing with DNRR and the work is ongoing for EA modernization. We're just beginning the preliminary work on that.

The team is coming together to look at what environmental assessments should look like in the early 21<sup>st</sup> century, obviously within the context of the Lahey report, such a critical report for the future of ecological forestry, so none of the previous work will be lost. It's our intention to keep this at the table as we discuss EA modernization as outlined in EGCCRA.

IAIN RANKIN: I would just impress on the minister that that is a very fundamental piece to get early on in the process.

Let's talk about protected areas and the goal to achieve 20 per cent protection by 2030 from legislation now. I am happy to see the inclusion of Indigenous protected and conserved areas and some recent action on that. I definitely appreciate that action.



The first question: How much has the government protected in this mandate thus far? So I can get a sense of how the progress is going, given that I think we are roughly at 13 per cent and we need to get to 20 per cent. In the context of the fact that every 1 per cent - I don't have a good memory for everything but I do for numbers, and I think 1 per cent of the land mass is about 55,000 hectares. Correct me if I'm wrong. I'd like to know how many hectares are protected thus far in the goal to reach 20 per cent.

[7:15 p.m.]

TIMOTHY HALMAN: Every issue in my department, whether it's in the rights division or sustainability and applied science or policy, our climate change division - I'm intrigued by all the issues we're working on. In particular, the land and water conservation goal of 20 per cent by 2030 is something that I take a great interest in, on a personal level, recognizing just how important our interconnection is with the natural world, how important that is for our mental health.

A 20 per cent goal is a very ambitious goal, given the size of Nova Scotia. We acknowledge that. That in itself will present challenges. Minister Rushton and I acknowledge that, but we believe we're definitely on a path to achieve that 20 per cent target by 2030. Currently we're at 13.2 per cent land protection in Nova Scotia. As the honourable member knows, in the 28 goals in the Environmental Goals and Climate Change Reduction Act we have a very strong commitment to land protection. Out of the 68 goals in the climate plan, 5 of the goals are action-oriented to land conservation.

We've taken action - certainly the protection of Owl's Head. We've also just recently, in the last number of months - in December of last year as the honourable member may recall, we announced 14 new wilderness areas that came out of the 2013 Parks and Protected Areas plan. That was an incredible moment; that's where I got to witness firsthand the incredible work that goes into land conservation, being with people like Walter Regan, being with Bonnie Sutherland at that event, just to name-drop two individuals, makes you realize the amount of work that I know the member knows that goes into this at the grassroots, along with the actions that we've taken to demonstrate our commitment to land conservation was the investment of \$20 million for the Nova Scotia Crown Share Land Legacy Trust. This is going to be a key component as we move forward in utilizing private land in helping us achieve that goal.

Along with that - as I highlighted yesterday in my opening remarks - being present in Cape Breton in January for the Glooscap announcement and our role within the shared governance model with the Mi'kmaq; yesterday I referred to that as shared sovereignty. I want to take a moment - I meant to say shared governance. That was a very powerful moment.

So IPCAs - Indigenous protected conserved areas - will be part of our strategy moving towards 20 per cent. I suppose one of the more high-profile stories in the news

recently about protection is Archibald Lake. Archibald Lake is moving forward in the process. We currently are following that process. The socio-economic study is taking place along with consultations with the Mi'kmaq.

You realize that so much of what we do is relationship-centered as elected officials. When I was at COP15 in Montreal, having time to spend with Minister Guilbeault and chatting with him and other ministers from around the world, you realize how important biodiversity and land conservation are. I certainly don't need to highlight that to the honourable member, who has been at the forefront in advocating and taking action when he was in government. We were able to secure \$7 million from the feds for a challenge fund extension.

There's a lot happening. Is it going fast enough for some? Probably not, but I can tell you that it is pedal to the metal on this in terms of this year finishing up the 2013 Parks and Protected Areas Plan, establishing what the plan is by the end of this year to get to that 20 per cent. I believe we can get there, I believe Nova Scotians have such a strong attachment to the natural world that they want to see this happen.

For clarity, the next steps that we'll be taking, Mr. Chair, we're going to complete the 2013 plan, obviously working with colleagues at the Department of Natural Resources and Renewables this year, the Sustainability and Applied Science Division, our Policy Division. We're going to develop the strategy for 2023. The process is unfolding for the protection of Archibald Lake and I hope to be able to have an update in the weeks ahead.

Finally, I just want to end on what's in the works right now between Nova Scotia and the federal government. In August of last year the Minister of Natural Resources and Renewables and I had the honour to go on a hike with Minister Guilbeault and some federal MPs at Blue Mountain-Birch Cove Lakes and to announce the intention to make this Canada's first national urban park, along with the announcement of preliminary studies on that.

Right now, the provincial and federal government, the Nova Scotia government, is negotiating and working on a nature agreement, so there's a lot happening, a lot of moving parts to this. If I go back to Montreal, at COP15, having a chance to meet with Catherine Grenier of the Nature Conservancy of Canada, and building a relationship with them, my staff building a relationship with them and working with them to help us achieve that 20 per cent goal. There's a lot happening in that division in terms of land and water conservation. I am very proud of the work being conducted and we have some pretty big and bold targets to achieve not only this year but a very big target to achieve by 2030.

IAIN RANKIN: I would say that I think it is doable to reach 20 per cent but given the trajectory that the new government has been on, based on the average of what I believe is only 9,300 hectares and some of the places that the minister referenced, while they might be high in conservation biodiversity value, the total hectarages are not even approaching -

I think the Minister of Natural Resources gave the figure of 0.3 per cent. We did that math that if the continued trajectory of protecting areas continues, then over even just this mandate we're looking at another 0.3, so we're not even going to see another 1 per cent protected by the time that we're in another election period. But if we do the seven years from 2023 to 2030, that averages out to being about 2.1 per cent, so not even close to being where we need to be around the 20 per cent area.

I don't underestimate the challenge that the minister has and I fully appreciate that he is probably working as hard as I was and it's not easy to get support sometimes from even your own colleagues where some of these areas are mapped out and have been sitting on the list since 2013. The previous government did make a specific - I made a commitment when I was Premier that the rest of those lands in the protected areas planned would be officially protected, so I think that's a good starting point.

I know that some of them are private and have challenges that have to be sorted out but I think at this point, after 18-ish months we should be close to designating officially a lot of them. I think there are close to 100 left in the list. I don't have time to go through them all in detail, obviously, but there are some that I'll just put in one question if the minister can give an update on the ones that have been requests for protection as late as January 2023. There's the Ingonish River Wilderness Area, the Bornish Hill Nature Reserve addition, Waverley-Salmon River Long Lake Wilderness Area addition, Giants Lake Wilderness Area, Nine Mile Woods Wilderness Area, Isaac's Harbour River Wilderness Area and Upper Stewiacke Wilderness Area. These are areas that have long been advocated for, for a number of reasons.

I would probably suspect that the minister has met with groups that understand that some of them have had consultation a number of times. Some of them were purchased specifically for protection, so there's a legal obligation to protect some of them. Some of them are in areas that have had some contention in terms of protecting them with municipal councils and stuff like that. I think those are the challenges that the minister has faced or will face. It is going to take some courage to see these through to the finish line.

If the minister can give an update on those specific wilderness areas, if he can commit that they will be protected, it would be great to see them protected this calendar year.

TIMOTHY HALMAN: As the honourable member knows, on multiple fronts on this file, on the path to 20 per cent by 2030, there's a lot happening and there's a lot of progress and we're doing our best to advance it all.

The lands that the honourable member outlines - staff in Environment and Climate Change, Natural Resources and Renewables are actively working on that. I know the honourable member can appreciate the amount of work that goes into sites like this. There

has to be survey work, research to confirm clear title, just to cite two examples of the type of things that are being done, and obviously addressing outstanding issues.

[7:30 p.m.]

These are all individual real estate transactions and as the honourable member knows, wow, a lot of work goes into it. The bottom line is that staff in the Department of Environment and Climate Change and Natural Resources and Renewables and working on completing that 2013 Parks and Protected Areas Plan, along with this year developing the overall strategy to get to 20 per cent by 2030.

I encourage the member to reach out at any time, go for coffee and we can have a further chat about this.

IAIN RANKIN: Will the rest of the list be completed before that 2023 plan comes out for the next 6 per cent? I think my memory is that it would get us to roughly 14 per cent by protecting the remaining area list. Is the goal at least to have the completion of the list by the end of this year so then we start the next round with a clean slate?

TIMOTHY HALMAN: Those two processes are happening in parallel. We've been clear for quite some time that it's our intention this year to finish up the 2013 Parks and Protected Areas Plan. Along with that work within the division, you have work ongoing with developing the overall strategy to get to 20 per cent. In the Environmental Goals and Climate Change Reduction Act, we have that clear commitment in legislation to have that overall strategy to 20 per cent completed by the end of this year.

Outside of that 2013 plan also is work that is ongoing with Archibald Lake, as the honourable member knows, that is not on the 2013 list but the work for Archibald Lake is ongoing. Certainly a lot is taking place in that division.

IAIN RANKIN: Would the work to try to protect the rest of the list include the addition of the Ingram River Wilderness Area, which is about 4,100 hectares, I believe? Then also a special management zone, which is an expansion of a basically riparian zone to ensure that there is protection around sensitive areas in the St. Margaret's Bay area - something that I push for as someone who represents an area that's nearby, an area that people care about, old growth areas. Certainly there's a balance of recreation and some forestry. I think we struck the right balance when we were looking at what lands were the most sensitive for protection and I think the consultations have concluded. I hope that is still intended for protection this year, if the minister can make that commitment as well.

TIMOTHY HALMAN: I know Ingram is very important to your community. I had the opportunity last Spring to visit and I had a chance to meet with Mike Lancaster and others. The local MLA took me to an unbelievably beautiful area. You can see why folks take such enormous pride in this and the work they've done with respect to conserving this.

I've certainly had briefings on Ingram, and I know staff are doing the background work that's needed and of course addressing what we heard in the consultations, which the honourable member would be aware of. We're focused on finishing the 2013 Parks and Protected Wilderness Areas plan. I'm focused on stewarding the process for Archibald Lake.

With respect to the special management zones, as the honourable member knows, that's very much in the purview of the Department of Natural Resources and Renewables, but I want to assure the honourable member that we have ongoing work on this. I have been briefed on this, I have visited the site and work is ongoing with my staff with respect to Ingram.

IAIN RANKIN: In the same lines of ensuring that we're protecting our land but in a bit of a different way, in the EGCCRA there is a commitment to build climate change adaptive capacity and resilience by requiring climate adaptation planning across every government department.

I ask that as it relates to the Chignecto Isthmus. Now I know that the Department of Public Works is the funding body that would be looking at spending the money for the dike system there. This should be of the utmost importance to the Department of Environment and Climate Change more than any other department, especially given that statutory obligation.

There has been a study that has been around four years - again back to at least three or four years - with three options, the most expensive being in the order of \$300 million. Now we know the federal minister has said there's a deadline to apply for the fund where they would pay for half by July 19<sup>th</sup>.

This is a shared project. I get it, it's complicated. New Brunswick has to be on side. But in the capacity of the minister also being the Chair of Treasury Board, given that this is Budget Estimates and we would need something in the restructuring fund for this ask and that we have the ability to leverage that substantial amount of federal funds, I want to ask the minister: Has he advocated to get that money approved by Treasury Board and work with his colleagues in New Brunswick to take care of that issue that is long-standing and should be dealt with because it is very sensitive? All it takes is one drastic storm in that area where we could have a much different situation to deal with.

TIMOTHY HALMAN: Most certainly it's recognized by the provincial government what a corridor of national importance that is for the economic vitality of Canada and obviously for Nova Scotia and New Brunswick. As Minister Masland indicated today in the House, she is the lead on this. In my capacity as Environment and Climate Change Minister, I know there is ongoing work with the Province of New Brunswick and our federal counterparts to address this. Certainly that work is ongoing. I know Minister Masland is doing a great job in advocating for Nova Scotia and the Chignecto Isthmus.

With respect to my role as Chair of Treasury Board, that position is steward of the process. As the honourable member would know, having served on Executive Council, the department brings submissions to Treasury Board for consideration. It's the Department of Public Works that is the lead on this. I am confident, having attended meetings on this, that Minister Masland and the talented staff at Public Works are doing a very strong job in advocating for the Chignecto Isthmus.

However, this would be a massive undertaking that will require enormous federal assistance along with the provinces of New Brunswick and Nova Scotia. I want to assure the honourable member that there are ongoing discussions and certainly obviously within the context of climate adaptation, I certainly acknowledge how critical that is.

THE CHAIR: I recognize the honourable member for Timberlea-Prospect with the suggestion to not go too far into the Treasury Board questions. We are focused on the minister's responsibility as the Environment and Climate Change Minister.

IAIN RANKIN: The context of that is I know there is a restructuring fund. I think that's really widely known as a slush fund. All I'm saying is that I hope there is money allocated in that fund. I know he can't answer that question, but I hope there's at least \$150 million earmarked for that project.

I'll end with the Coastal Protection Act, 2017 platform. Obviously there's a lot of attention during an election campaign. Then we move to 2018. There was significant consultation, a launch that I was part of with EAC. It was actually my first interview on Steve Murphy's show that a lot of people watched, so definitely a lot of people knew about the Act. In 2019 that Act was passed under Minister Miller and then more consultation went out into the field to get feedback on what the regulations would look like before proclamation.

We know there is going to be a certain time for exemptions that were talked about, flexibility, ensuring that we weren't penalizing anybody who already had a building permit. This is something that a lot of Nova Scotians are asking all of us. I know the minister is probably seeing a lot of emails where people are asking what the timeline is to finally proclaim this Act.

I think this has been consulted to death. I don't know how much more consultation can really happen with something like this so I want to thank the staff, especially John Somers, for the work that he has done, talking to probably every municipality across the province that is the closest government to the ground that has property owners paying taxes into their system.

I'd like to ask the minister, with the short time that I have left: Will he finally proclaim the Act and ideally have some regulations in place before Mr. Somers retires?

[7:45 p.m.]

TIMOTHY HALMAN: Just going back to a comment the honourable member made with respect to slush funds, there are no slush funds in the Government of Nova Scotia. I just want to clarify that. It's crystal clear. I think that's quite offside and unnecessary.

With respect to the Coastal Protection Act, a lot of work has gone into this over the last number of years. I am fully aware that consultations took place in 2018, with the subsequent all-party consent passage of the bill in 2019, and then the consultations that took place in 2021.

Now those consultations - most certainly there's a lot of support for the Coastal Protection Act. We have a lot of support from our municipal units. We have a lot of support from land surveyors and engineers. In the process of developing the regulations, it became quite crystal clear that coastal property owners weren't aware of the regulations or they weren't even aware of what the Coastal Protection Act is all about.

I think we'd all agree that the Coastal Protection Act is making sure that Nova Scotians don't build in places that are unsafe. The coastal protection zone will allow for the building of spots where it's deemed safe. There's a lot of misinformation that's out there.

THE CHAIR: Order, please. This hour of Liberal questioning has expired. We will switch gears to the NDP.

We will take a five-minute break. The committee stands in recess for five minutes.

[7:50 p.m. The subcommittee recessed.]

[7:53 p.m. The subcommittee reconvened.]

THE CHAIR: Order, please. We are back in order in the Subcommittee on Supply. We are beginning an NDP hour of questioning to the Department of Environment and Climate Change.

The honourable member for Dartmouth North.

SUSAN LEBLANC: Thank you very much, Mr. Chair. I want to ask about the Coastal Protection Act, too. I don't get it, honestly. I have family members who have homes on the water. They know, not because of the Coastal Protection Act, that they've got to do things to make sure that their homes don't wash away into the sea. I grew up in Prospect so everywhere around me there are homes really close to the water.

If somebody owns property with no home on it that they are planning on building on, presumably they would also know not to build near the water because everyone knows that the globe is warming and climate change is real. I mean, I think everyone knows that.

In terms of the Act, there has been consultation done, the whole process of the bill being passed. We also know that I believe once the bill is proclaimed there is a grandparent clause that allows anyone who had permits before the Act a full year. I'm still not clear as to why we need to do more consultation rather than education.

I know that in Question Period the minister said that the consultation will involve education but why do we need to hear - because presumably consultation means we are hearing from the public - and listen, as you all know, I am a big proponent of consultation, but this Act has had that consultation and Law Amendments Committee and all of the things.

I just don't understand why we have to wait longer, especially given that there's a year-long grandparent clause and Mr. Somers is trying to retire. Can the minister explain why we have to wait, in a short answer?

TIMOTHY HALMAN: I want to thank the member for the question, it's very important. Just the other day I met with the Ecology Action Centre and we had a good discussion on what the next phase of implementation of coastal protection will look like.

When I say consultation, to me that is engaging in a discussion with coastal property owners to make them aware that change is coming, change that I think is fundamental in the adaptation of Nova Scotia to the realities of climate change. This is based on the correspondence we have received, questions we have received from coastal property owners who don't understand what this is all about.

For a lot of folks, I think in their day-to-day lives they don't have much time to think about these things. As a result of that, I think it's on government to make sure we engage in an education campaign that will let folks know that change is coming and this change is necessary.

I think for a lot of Nova Scotians, especially post-Hurricane Fiona, they do recognize that but human nature being what it is, eight or nine months pass and sometimes you do forget. I think certainly for some Nova Scotians, for a lot of Nova Scotians where Hurricane Fiona impacted their property, they are not going to forget anytime soon. I know all of us are very empathetic in terms of what they encountered.

I have directed my staff to begin to design what an education campaign looks like. Part and parcel of that will also be consultation to receive feedback from Nova Scotians, to inform them - this what the Act is about. The end goal here is not to build in unsafe



areas. We recognize how critical that is for the longevity of your property, for insurance on your property, for Nova Scotia even to qualify for federal assistance in terms of relief.

We know how critical this is and that's why I want to get the buy-in from those who have some misunderstandings of what this is all about because what this is all about is making sure that we don't build in unsafe areas. As minister, I want to make sure we do this properly. As a regulator, in a regulatory department, it's evident and it's so clear that in order to get compliance it's always best to have understanding.

[8:00 p.m.]

The Coastal Protection lead has done a phenomenal job over the last while with development of the regulations, with consultation with municipal units and engineers and great work has been done. We need to move a bit more in terms of the property owners and making sure that they understand as we move forward.

The stage we're at now with the Coastal Protection Act is we are actively developing, what an education campaign looks like - change is coming, here is what the Act and subsequent regulations are all about, please engage with my department on this. We'll be looking at many different ways to facilitate that discussion, possible direct mailouts, utilization of course of social media, websites, going to communities and saying look, the Coastal Protection Act has been in place since 2019. We've been working on the regulations, this is what it's going to do, does this make sense to you? Do you understand why we're doing this? To get that feedback is critical.

If you look at our climate plan, if you look at our overall objectives, I've been clear for quite some time how coastal protection is going to make us safer to the storms that we know that have been occurring frequently, quite frankly annually. As a result, we need to adapt accordingly.

The phase we're in now is to develop what that education outreach looks like. I hope to have more to update members and Nova Scotians in terms of what that education feedback consultation phase will look like with coastal property owners in Nova Scotia.

SUSAN LEBLANC: With deep respect, Minister, what I have just heard you say is that you want to take the time to get buy-in, the department wants to take the time to get buy-in, that you want to make sure the owners of coastal properties understand that the Act has been in place since 2019 and the regulations are being worked on and does this make sense, right?

You are talking about a print media campaign; you are talking about conversations about the Act. To me all that sounds like education, with an Act that can be in place and proclaimed.

My question is: Are you, as the minister, prepared to change the Act, based on the feedback you get? To me, that is what consultation means, someone says that no, this is not going to work for me, Minister, because my lot is so small that I couldn't possibly put a house on my lot that I paid \$500,000 for so I don't want the Coastal Protection Act in place until I get my house built, right? That's what's happening, is it not?

Tell me, are you going to change the rules or is the plan to delay the Act until all of those people who have too small properties to build the house they want, get their house built? I'm seriously asking this: What is the actual impetus for holding up this bill?

TIMOTHY HALMAN: The legislation has been passed, the work is ongoing with the accompanying regulations.

Obviously as we enter the phase of education and to receive feedback, we're always looking for feedback that will continue to shape regulations to accompany the Coastal Protection Act.

We did receive a lot of correspondence with questions about how this is going to operate. I feel we have due diligence to ensure that we incorporate that feedback. We need a formal mechanism to do that, that's why I have directed staff to begin that process.

I wouldn't categorize this as a delay, I would categorize this as the ongoing work that is required to get the best regulations possible. I think there's still a lot more work that needs to be done, based on the correspondence we've received, with questions and concerns about how this is going to operate.

As we engage in that process, that education campaign to inform what the Act is about, what the regulations would do, we want to get that feedback. This is going to have big implications for Nova Scotians. I think that obviously this is going to be a very positive step in our climate adaptation strategy, but we still have more work to do on this.

That is continuing internally, and in the weeks ahead we'll be coming forward with an education campaign so that Nova Scotians are aware that the Coastal Protection Act exists, what it entails, and that change is coming.

For so many generations we've been a coastal people and we're going to continue to be a coastal people - it's paramount to our identity as Nova Scotians. So we want to make sure we get broader consultation - along with education - that this legislation is in place, the work is ongoing with the regulations, provide us your take on this. Certainly we're hearing a lot in terms of the correspondence coming in, in terms of what this Act and the subsequent regulations would entail.

SUSAN LEBLANC: I'm wondering, some jurisdictions in Canada have what's called an environmental damages fund where there is money collected, for instance,

through the Conservation licence plate program - love to know where that money goes, by the way - money collected into a fund and then there's an open call for applications from different organizations, community organizations that are doing work for the environment and then the money is doled out.

Is this something that your department, our government, is considering? Where does that money go from the Conservation licence plates?

TIMOTHY HALMAN: With respect to licence plates, that's Service Nova Scotia. The endangered species, the money is allocated - that's a special purpose fund over at the Department of Natural Resources and Renewables.

Last summer I had the opportunity to visit Antigonish. The local MLA, our Minister of Health and Wellness, took me on a tour of beautiful Antigonish and I had an opportunity to meet with residents who had been impacted by the floods in Antigonish. You realize in such a tangible way how climate change is impacting, how floods impact. We know from the risk assessment that flooding is going to be one of the hazards that Nova Scotians are going to have to contend with. Of course as we get into the out decades it's going to be the extreme heat. I refer you to the risk assessment for a greater analysis of that.

I've always been a believer in the power of local communities. They are the front line whether it's our municipal units, whether it's not-for-profits in communities, whether it's our universities. As a result of that and the ongoing work, of course, of staff over the years, we embedded in the Environmental Goals and Climate Change Reduction Act something I'm really proud of - it's the Sustainable Communities Challenge Fund. This was established to support local initiatives for Nova Scotians, for not-for-profits, for municipal units, for universities to take local action on climate adaptation and mitigation.

Nothing like this has existed prior to this. This is significant. We've just completed the first round of applications. This is financed by the Government of Nova Scotia but it's administered by a third party, which is the Nova Scotia Federation of Municipalities, which I think has done a great job thus far in administering this. In the weeks ahead we hope to be announcing our first round of applications, where the money will be allocated to for the Sustainable Communities Challenge Fund.

I think this is going to be a game changer for local communities. I encourage all members here to go to the Sustainable Communities Challenge Fund website because there will be another round of applications coming forward.

This is only going to enhance some of the great work that is being done at the local level. Obviously you see in HRM the great work being done at the municipal level through Halifax, you see great work being done in the CBRM, the great work being done in Bridgewater. Just a couple of weeks ago I met with the climate lead in Digby - great

initiatives taking place in Digby, specifically on Brier Island, and some of the low-carbon initiatives they want to take.

Obviously as a leader, when you see great local initiatives taking place like that, how does the provincial government - what role do they play? How do they enhance this? How do you support this? Think about a community like Church Point, Université Sainte-Anne has been recognized - I think even by David Suzuki - as one of the greenest institutions in North America. They did that very much themselves over the past number of years. I know the solar initiatives they've taken there.

[8:15 p.m.]

There are great things happening on the ground. There's a role for the provincial government, a key role to play in helping communities adapt to the realities of climate change. These are grants that are awarded to not-for-profits, for municipalities, for community groups, universities, from \$75,000 to \$1 million. No doubt every MLA here in this room could probably think of three or four not-for-profits in their area or post-secondary institutions or community groups that could benefit from funding like that.

Climate change is a reality that has to be dealt with head on. It's going to require the ongoing story of humanity, which is the story of adaptation, along with mitigation, making sure we reduce the impacts on our environment, we reduce our CO<sub>2</sub> emissions. We have programming now, along with the subsequent financing to help local communities.

That's not to say that local communities in Nova Scotia weren't doing anything. In travels throughout the province, you recognize our not-for-profits and our municipal units have done phenomenal work. I commend them for that, and I encourage them to do that. What the Sustainable Communities Challenge Fund does is it inserts the province in a very active role to support local community groups in the climate actions they take.

SUSAN LEBLANC: Before I ask my next question, we will be finishing environment at the end of my hour so I'm wondering how long the minister needs to read his resolution. I don't want you to read it now. I have more questions. (Interruptions) So 8:47 p.m., I believe.

We used to have in Nova Scotia an environmental home assessment program. Think about the efficiency assessment programs we have that are so beneficial where people get their home assessed for energy efficiency and then they get rebates. You all know this. There used to be one where there would be rebates, for instance, for upgrading wells to be healthy wells, septic pumps, healthy oil tanks, et cetera - I mean if you can use the words healthy and oil tank in the same sentence, but you know what I mean.

It ended around 2013-2014. I'm wondering if there is any consideration of bringing back this program.

TIMOTHY HALMAN: Thank you to the member for a very important question. It makes you realize just how important local adaptation, individual adaptation is. You may think about rural Nova Scotia and just how many of our residents are on wells. I think of my family in Clare, it's just how it has been and how it's always going to be, and making sure that they have the tools available to test their wells. That's why in the Environmental Goals and Climate Change Reduction Act we put a target in there to ensure, to help Nova Scotians test their wells. As a matter of fact, this summer we'll be starting an education campaign to assist Nova Scotians in testing their well water and how important that is.

In terms of key investments, I certainly want to highlight one of the key priorities in climate adaptation. We've been clear about that since forming government and I'm quite certain the previous government would agree with this as well, the important role of energy efficiency in helping Nova Scotians adapt to the realities of climate change.

Last summer the Ministers of Environment from Newfoundland and Labrador, New Brunswick, P.E.I., and I formed what we dubbed at the time the Atlantic alliance. I believe the Atlantic alliance did phenomenal work in highlighting to the federal government just how important it is to work with Atlantic Canadians, for the feds to work with Atlantic Canadians on addressing energy poverty.

We have a significant number of Nova Scotians still on home heating oil. To remove that from your home - I've done the process - is a big undertaking, it's an expensive undertaking. If we want Nova Scotians to have more energy efficient homes, to reduce greenhouse gas emissions individually in their homes is critical. The number 250,000 comes to my mind - there are 250,000 Nova Scotians still on home heating oil.

The federal government came forward with a commitment, which they hadn't done before, to help Nova Scotians get off oil. The provincial government, through our climate plan, was able to match that with \$140 million in December of this year. That's on top of last fiscal, when we invested \$57 million because we knew this was something that was key for Nova Scotians.

We are doing everything we can, where we can, to support Nova Scotians as they adapt to climate change, even obviously the \$100 million Heating Assistance Rebate Program that we increased significantly. I put that in the column of climate adaptation. Certainly heating your home with fossil fuels is extremely expensive and as we make that transition, at this time it is unfortunately indicating that things are very expensive.

I know that here we are all very sensitive to that to the people we represent, to know that as we transition to clean, renewable energy, change is never easy and it's going to require government investment and government involvement. Certainly we'll continue to make those investments because we believe at our core that they are right for Nova Scotians.

SUSAN LEBLANC: To my question about will the government be examining an idea like a home environmental assessment plan? I will take it that that is a big zero - no, because the minister did not even address it.

Now he did mention in his comments well testing - love that idea. We actually have legislation on the order paper about free well testing because well testing actually has a cost to it, but I wasn't talking about testing wells, I was talking about healthy wells. If we test your well and then you find out you have a bad well and bad water, is there money for someone to get a better well? The same thing with septic pumps.

I will say this, a huge threat to our biodiversity in Nova Scotia is straight pipes going into lakes and rivers. We know that the LaHave River issue has been mitigated, mostly because of the work of young Stella Bowles.

There are straight pipes going into lakes all over this province and straight pipes in lakes pollute lakes and wreck the biodiversity of the lakes. We need biodiversity for climate change mitigation, not just adaptation.

I'm wondering if the government might consider a program or has there been discussion about how to get the straight pipes out of the lakes? If people have straight pipes, they need to get septic fields and septic tanks, or a compostable toilet or whatever - I'm sure there are lots of options.

Will there be money to do that? Does the government think there is a way to legislate septic fields? That's a controversial question, I'm sure, but I'd like to know. I guess I am asking this question because I understand that the cheapest and the most effective way to reduce our GHG emissions is energy efficiency. I understand that. I learned that a while ago and I talk about it all the time.

There are other factors around climate change - but also, just in general, pollution - that are harming biodiversity and, as I said, we need biodiversity to help us mitigate climate change.

I am concerned, and I know the minister understands this but I am going to say this because several times he has used efficiency as a method of climate change adaptation and I don't actually think that - except for the cooling of a heat pump - I don't really think that efficiency - hopefully efficiency is more about climate change mitigation because we're trying to cut our greenhouse gas emissions. I really hope that we are not at the point in 2023 that we are now prioritizing adaption over mitigation. It is not too late but we have to act very quickly.

I hope and I believe that this government and the amazing minds working in the department who are truly experts in these fields, know what we need to do to mitigate climate change and protect the Earth from the worst possible results. I know that adaptation

is important, but I want to hear from the government that mitigation - that basically he hasn't given up. I also want to know if there's going to be a program to help people get straight pipes out of the lakes.

TIMOTHY HALMAN: With respect to straight pipes, we have a very strong Inspection, Compliance and Enforcement division within the Department of Environment and Climate Change. We regulate on site and, as always, if there are concerns, I always encourage residents to reach out to our local offices. An inspector will go out to ensure compliance with our regulations for on-site pipes.

[8:30 p.m.]

With respect to adaptation and mitigation, you have in the Nova Scotia climate change plan, 68 goals that deal with both adaptation and mitigation. Let's not forget that in the Environmental Goals and Climate Change Reduction Act we have the strongest target in Canada for greenhouse gas reduction, 53 per cent below 2005 levels. We're well on our way to meeting that target with our emphasis on 80 per cent renewables by 2030.

I can tell you that around the federal-provincial-territorial table, Nova Scotia for the work done thus far and the work that we're continuing to do, is seen very much as a strong leader on greenhouse gas reduction. So absolutely, if you look at the climate plan and our 68 goals to be worked on and achieved over the next five years, you have a very strong balance between adaptation and mitigation. Certainly when it comes to energy efficiency, mitigation obviously means to continue to aggressively reduce our carbon footprints. We know that by installing heat pumps Nova Scotians are playing a key role in reducing those carbon emissions, specifically moving from oil to a heat pump.

It certainly also implies adaptation as well. As I highlighted yesterday, I know that growing up in the 1980s Cole Harbour you would have those Central Canadians come visit the Maritimes and there's no air conditioning here at all, and well you don't need it, the cool nights will cool you down. Well not so much now; the climate has changed so we adapt accordingly and we also reduce. We mitigate the damage being done.

Definitely if you look at the climate plan - Our Climate, Our Future: Nova Scotia's Climate Change Plan for Clean Growth, you have in those 68 goals a strong emphasis on both, on the adaptation side and the mitigation side. Also, if I can bridge to the Sustainable Communities Challenge Fund, those two streams are addressed in the Sustainable Communities Challenge Fund, money being allotted for programs for adaptation and programming for mitigation as well.

SUSAN LEBLANC: Great to hear that the minister still believes in mitigation. Is there any specific money in the budget to help develop natural coastlines?

TIMOTHY HALMAN: I'll refer to the gospel on climate change planning and mitigation and adaptation, our climate plan. Goals 12 to 16, dealing with climate mitigation addressed this so I'd like to draw everyone's attention to Goal No. 13, which is "Research natural carbon sinks to help offset any remaining greenhouse gas emissions needed to reach net-zero greenhouse gas emissions by 2050."

The work will be ongoing with this. Certainly those natural carbon sinks are fundamental, that's why in December we invested \$20 million. That's the first investment in over a decade - I think it was a decade - in the Nova Scotia Crown Share Land Legacy Trust - because we recognize how important carbon sinks are in the mitigation side and how critical that is.

The work is ongoing for those natural carbon sinks. We've certainly put the money behind the actions for land conservation to help us assist in private land being part of the 20 per cent target for land conservation. The work is definitely ongoing with that. Keeping in mind that we have 68 goals over the next number of years. One of them, as the deputy minister has pointed out, Goal 15, to "invest in infrastructure and natural systems to manage heat stress, such as tree planting in urban areas or heat pumps/cooling centres to lower exposure to high temperatures for vulnerable Nova Scotians and invest in ecosystem-based responses like coastal wetland restoration to help manage flooding."

I also want to take this opportunity to highlight the work I know the federal government is doing with 2BT, the 2 Billion Trees program. Nova Scotia will be partnering with NRCan - Natural Resources Canada - to work on that. Our goal, via the Department of Natural Resources and Renewables, is 21 million trees. There's a lot happening on that, with natural carbon sinks the role of planting trees contained here in our climate plan, along with our ongoing work with Natural Resources and Renewables - 68 goals over the next five years to guide us and to help set the financial targets for climate adaptation and mitigation.

SUSAN LEBLANC: Here's the thing: natural coastlines are carbon sinks, coastline and water is carbon sink, but natural coastlines are also important for mitigating coastal erosion. There's lots of work being done on taking away retaining walls and replacing them, as has been done in Mahone Bay along the coast there and in lots of places, replacing them with natural sea grasses and that kind of thing. That's what I'm talking about, natural coastlines. Yes, again, anything that is green is going to be a bit of a carbon sink. Anyway, I don't want that answer now.

My point is that this is why I asked the question earlier about what the things in the 68 goals are, because - news release - I know there is a climate plan with 68 goals - love it, really happy about it - but I want to know what budget lines are attached to what goals. If someone from the department can table that at some point or get it to us, following Estimates, that would be great.



I guess another sort of “yes and” of this talking about the climate plan is this: We know the climate plan is great but we don’t have a ton of time - the timelines are large, we don’t have a lot of interim timelines. Will the government release a year-to-year plan that explains on the path to 80 per cent renewable energy by 2030 and the phase-out of coal, what proportion of energy will come from what source each year? I guess I’ll leave it there - year-to-year report.

TIMOTHY HALMAN: Transparency is so key to Nova Scotians. They want to know what’s happening, they want updates. A couple of things: In the Environmental Goals and Climate Change Reduction Act we have established the annual report, which is issued in July, the first report under EGCCRA was issued in July 2022. Here’s a fun fact: the old Act with our legislated targets, EGSPA - the Environmental Goals and Sustainable Prosperity Act - the previous government stopped doing those annual reports. We’re committed to doing that, an update on where we’re at with the legislated goals in EGCCRA. Some of you may recall that report because we were sitting in the Summer, in July. You may recall that report in your mailbox, many of you saw that in your mailbox so no doubt we’ll be getting you copies of that in July of 2023.

In July of this year as well, we’ll be issuing our first annual report on Our Climate, Our Future: Nova Scotia’s Climate Change Plan for Clean Growth. We do annual reports on the Green Fund. However, a reminder that we are in a period of transition as we phase out cap and trade and move to OBPS - Output-Based Pricing System - we’ll be transforming the Green Fund to the Climate Change Fund, a much more flexible and equity-focused fund.

Along with that it is my understanding that as we develop the regulations for the Output-Based Pricing System - the work is ongoing with that - we’ll be doing an annual report to Nova Scotians on how we’re doing and holding our large emitters accountable. Just a reminder, of course, that in that system there will be three mandatory participants - Lafarge Canada, Nova Scotia Power and the Donkin Mine. As of April 1<sup>st</sup> - my staff has received - that was the cut-off date for the non-mandatory participants in that. In the weeks ahead I should be having a briefing on that from staff.

Look, Mr. Chair, there’s a lot of accountability and transparency mechanisms built into the Environmental Goals and Climate Change Reduction Act, in the climate plan, in the Green Fund annual reporting which will subsequently transform into the Nova Scotia climate change fund annual reporting and the reporting for the Output-Based Pricing System.

SUSAN LEBLANC: We know that in order to do all the things we need to do to reduce emissions, we’re going to need a lot of workers. We need people to install solar and we need people to install heat pumps and we need people to insulate, and we need people to be efficiency assessors and all those kinds of things.

We also need bus drivers. We have a massive shortage of bus drivers, and we know that public transit is essential to meeting our climate goals. Driving buses, for instance, at least in the HRM - they are good, equitable, green jobs and they allow for healthy and safe communities. I'm wondering if there is any money in the budget for a labour market strategy for all of the jobs that we will need to meet our climate goals?

[8:45 p.m.]

TIMOTHY HALMAN: I really appreciate the question. We're talking about how critical the transition is to that clean economy, ensuring the labour force has the necessary skills to navigate that, to make sure our youth navigate this as well, as effectively as possible. I say "navigate", it's the transformation that we're undergoing to clean, renewable energy and the economic opportunities that will accompany that.

Most certainly these are conversations I have engaged in with the Minister of Advanced Education. I've certainly had great discussions with NSCC president Don Bureaux about the role of post-secondary institutions. Most certainly I've had great conversations with the president of the University of King's College, Professor Bill Lahey. Professor Lahey is someone who doesn't need any introduction. He has been a great source of advice for me, in terms of the clean economy and where we're going in the future, along with that making sure our youth - it's really important to me that our youth have a very formal role in this transformation to the clean economy and as you'll see in the climate plan, empowering youth through a formal Youth Climate Council is one of the goals which we will achieve over the next five years.

With the Minister of Education and Early Childhood Development, I am very pleased to hear that there's progress on a new course on sustainable prosperity, for Grade 12, I believe it is. That will be an option for our young Nova Scotians to learn about sustainable prosperity, to learn about clean growth - so you'll have a crossover from Grade 11 Mi'kmaw studies into this course, learning about the concept of Netukulimk and how critical that is.

Just recently it was announced that the provinces of Nova Scotia, New Brunswick and P.E.I., their respective departments of Education are working on the electrification of their school bus fleets.

This is what the climate plan does - it gets things moving cross-departmentally. It has all government departments looking at policy through a climate lens. There is incredible work ongoing in our post-secondary institutions, as the member would know, in terms of preparing for not only the jobs of the future but the jobs of here and now.

As a regulator, meeting with different proponents and listening to their ideas, whether it's for battery storage, the future of wind power, onshore, offshore, the unbelievable potential of tidal power, the unbelievable potential for export for green

hydrogen and the subsequent domestic use of that, I remain very optimistic that tomorrow will be a better place for the next generation of Nova Scotians.

SUSAN LEBLANC: Four minutes - I'll ask a short snapper so the minister can read his resolution. Does the minister agree that we should not be developing housing on wetlands or in forests?

TIMOTHY HALMAN: As the environmental regulator, my power - the power and authority for any Minister of Environment - derives from the Environment Act. My function, as the regulator is to be the steward of the process. I can assure the honourable member, as it pertains to wetlands or anything pertaining to the environment, the team at Environment and Climate Change ensures compliance to our regulations and to our laws in Nova Scotia. Certainly we follow all the requirements and we do our absolute utmost to ensure that proponents in this province know what the requirements are on the inspection and compliance side, to ensure that they are following those requirements.

In the bigger picture of Nova Scotia we are entering a period of unprecedented population growth, the most growth we've seen since the early 20<sup>th</sup> century. As a regulator, I believe at my core that we can responsibly and sustainably grow this province so that we will be, as the Premier said, in 10 years time a global, national, clean, renewable superpower in Confederation.

THE CHAIR: If the NDP are okay, I will offer the minister some closing remarks.

TIMOTHY HALMAN: Mr. Chair, when I was teaching, I used to conduct 80-minute classes, so I love to chat, I love to engage. I've really enjoyed the last number of hours to talk about something I'm very passionate about, the protection of our environment and our ability to work together for a clean, renewable future. I am very optimistic for the future of this province. We have a lot going for us. We have very strong environmental regulations. We have a very strong climate plan, a very strong piece of environmental and climate legislation to guide us for the next number of years.

All of this could not have been achieved by one person. I want to sincerely thank the deputy minister of this department, I want to thank our executive directors, I want to thank Mr. O'Brien for the great support over the last number of weeks as we prepare for the budget, and of course the phenomenal staff, the over 300 talented professionals who do so much to protect Nova Scotians each and every day from environmental impacts and to protect human health.

THE CHAIR: Shall Resolution E7 stand?

The resolution stands.

We'll take a quick recess while we get set up for the next set of Estimates.

We are now in recess.

[The subcommittee recessed at 8:53 p.m.]

[The subcommittee reconvened at 9:00 p.m.]

THE CHAIR: Order, please. The Subcommittee on Supply will come to order. It is now 9:00 p.m. The subcommittee is meeting to consider the Estimates for the Department of Fisheries and Aquaculture, as outlined in Resolution E10.

**Resolution E10 - Resolved, that a sum not exceeding \$16,633,000 be granted to the Lieutenant Governor to defray expenses in respect of the Department of Fisheries and Aquaculture, pursuant to the Estimate.**

I will now invite the Minister of Fisheries and Aquaculture to make some opening comments of up to one hour. Minister, you may take the opportunity to introduce the staff you have at the table. After the one hour we'll get into the questioning.

The honourable Minister of Fisheries and Aquaculture.

HON. STEVE CRAIG: Thank you, Chair, and good evening, everyone. I'm happy to join you here today in Mi'kma'ki, the traditional territory of the Mi'kmaw people. I also want to recognize 400 years of contributions made by African Nova Scotians in our province.

With me today are Deputy Minister April Howe and Geordie MacLachlan, executive director of Fisheries, as well as a team, a family: Michael O'Brien, executive director of Finance for Fisheries and Aquaculture; Adam Mugridge, acting director, Marine Services; Michelle Blinn, director of the Atlantic Fisheries Fund; Jason LeBlanc, director of Inland Fisheries; Carla Buchan, director of Aquaculture; Lesley O'Brien-Latham, executive director, Policy and Corporate Services; Shawn MacDonald, director of Sustainability and Environmental Advisory Services; Kim Forsyth, director of Business Development and Loan Board; Brennan Goreham, director of Crown Lending Agencies, Department of Agriculture; and my special advisor, Ryan Kelly. This is a great team. I am here to tell you that we live in a great province with excellent fishery and aquaculture resources and responsibilities and opportunities, and there is such potential for growth in world trade and sustainable expansion of the seafood industry.

I am happy to report that the Department of Fisheries and Aquaculture's work to promote the growth of the Nova Scotia seafood industry is strong. I want to share and start by saying that Budget 2023 helps move our province forward. It's investing in health care, as you know, and has been said many times, and many more things that are important to Nova Scotians. Yes, our top priority is health care, and our government has a real plan to address it because that's what Nova Scotia families need and deserve and because healthier

people are the foundation to a strong economy. In turn, that strong economy helps us pay for health care.

My department supports a sector that is a leading contributor to the health of Nova Scotia's economy, the health of our rural and coastal communities, and the health of our people. The Fisheries and Aquaculture sector includes fish harvesters, processors, buyers and sellers, and all aquaculture businesses that grow and sell seafood. Seafood is Nova Scotia's number one economic advantage. It is our province's largest export and it makes Nova Scotia the top seafood exporter in Canada. The department has an overall estimate budget of \$16.6 million in 2023-24.

I'd like to give you a little bit of an overview of the sector and its unparalleled value. The industry is a leading contributor to the health of Nova Scotia's economy and our communities and people. It is the economic driver in rural coastal communities. It is part of our heritage - it must be part of our future. Our economy relies greatly on seafood. Despite continued challenges from COVID-19, our seafood industry continues to thrive.

It was talked about earlier, perhaps the decline in the GDP in some of our exports and I have to tell you that in 2022 our exports were \$2.6 billion, a 4 per cent increase over 2021.

Our fishing and aquaculture industries employ about 19,000 people and there are thousands more in supporting industries. There are strong ties to other sectors, such as boat building, tourism, transportation, post-secondary, and other manufacturing.

Fisheries and aquaculture are important to Nova Scotia's rural economy and to our coastal communities and they are important to the growing need to address food security in our province. As I mentioned, they've grown in the export market to reach \$2.6 billion and they continue to get stronger, even after the negative effects of COVID-19 in 2020.

Despite the recent challenges, Nova Scotia remains the No. 1 seafood exporter in the country. Fish and seafood products are also Nova Scotia's largest export commodity, in 2022 accounting for 39 per cent of the province's exports. Lobster is by far our biggest seafood export at 53 per cent and \$1.3 billion last year.

The fishery is also the largest freight customer at the Halifax Stanfield International Airport. Lobster represented 91 per cent of exports through the airport in 2022, at \$293 million.

Rounding out the top five exports were: crab, at 13 per cent, or \$346 million; scallops at 8 per cent, that's \$202 million; shrimp at 6 per cent, \$158 million; and halibut at 5 per cent or \$129 million. The exported value of these five species made up 83 per cent of our fish and seafood exports.

Now where do we sell these? Well, the U.S. was at 47 per cent. They are, by far, our largest export destination. China was at 25 per cent and the European Union is at 12 per cent. The rest were destined for other Asian markets, most notably South Korea, Japan, Hong Kong, and Vietnam. Nova Scotia seafood is a staple in more than 60 countries around the world. Clearly our economy depends on seafood. New and value-added products will help drive expansion in key markets.

Innovation is the key to continued growth in this industry. Collaboration is extremely important between industry, governments, and educational and research institutions. It was mentioned the other day in a conversation that this has to be one of the most complex areas and portfolios in all of government.

Aquaculture is the fastest-growing food production method in the world. It is essential for food security and a key growth opportunity for Nova Scotia. It's an important economic contributor for rural, coastal and Mi'kmaw communities. The value of aquaculture production in 2021 was \$82.9 million. Atlantic salmon is our leading aquaculture species, accounting for 83 per cent of all production. In 2021, Atlantic salmon brought in \$68.6 million.

Further development of low-impact, sustainable aquaculture industry is a priority for my department. With that goal in mind, we recently completed a review of the aquaculture regulatory framework. The Nova Scotia Aquaculture Regulatory Advisory Committee engaged key stakeholders, such as industry and municipalities. The committee also provided the forum for all Nova Scotians to have input on this regulatory improvement. There were 988 survey responses. The review found that the sector's current regulatory framework is a good foundation. There were 17 recommendations put forward for improvements and the report from the Advisory Committee was released just a few weeks ago on March 17<sup>th</sup>. I accepted the report and the department is moving forward with developing a plan to implement the recommendations.

I did say that I accepted the report - I also accepted those recommendations. This year we are moving forward with regulatory improvements, opportunities for public input, transparency, and science-based decision making for the supported sector. We will continue the work to have a modern licensing process that places much weight on the environment.

Updated provincial regulations must also consider animal welfare, fish health, and pest control for product sale end use. Aquaculture is important to food security, economic development, job growth, and the growing success of our seafood exports. In addition to regulatory improvement, we will help aquaculture grow sustainably. We will do this by continuing this year to develop a coastal classification system. It is a tool that will map and evaluate areas around Nova Scotia that may be suitable for marine and fish aquaculture.

The independent Nova Scotia Aquaculture Review Board has an important role in this sector. In the Fall of 2020, the board held its first hearing to rule on three applications for new marine shellfish sites. Aquaculture, as you know, covers finfish, shellfish, and also sea plants. In 2021, it held a hearing to rule on an application to amend a marine finfish licence and is preparing for a hearing for three new marine shellfish sites in the Spring.

I have expanded the membership of the board to support more efficient scheduling of hearings. I look forward to the board and the regulatory review recommendations to continue taking steps to help improve public trust and investor confidence. Growing Nova Scotia's aquaculture industry will help secure a healthy economic future for our coastal communities. It is an opportunity for people to build good careers and raise families here. It bears repeating that we are committed to the growth of an aquaculture industry that is environmentally sustainable.

I'd like to talk about fish buyer licensing. There's also work being done updating and improving fish buyer and processing licences. We need a fair and modern licensing policy in Nova Scotia, one that supports the current seafood industry, one that inspires investor confidence and generates economic returns for fishing communities. This year we'll focus on bringing in a modern framework for a fair, open, and competitive market. Our approach will improve regulations, reduce red tape, and support the growth in this sector.

Just last Saturday, we opened up the fishing season here in Nova Scotia. Sport fishing is a beloved pastime with a long tradition here in Nova Scotia. It's a healthy, outdoor activity that is very important to our rural economy. The sport fishery contributes about \$70 million to our economy each and every year. There were record participation rates in 2020 and 2021. Last year licence sales continued to be strong. Nearly 70,000 fishing licences were issued in 2020.

During the height of the pandemic, fewer visitors were able to come and enjoy the sport fishery. Visiting anglers spend on average twice as much money on sport fishing-related activities than Nova Scotian anglers. We want more of those people in. That's why this year we will further develop the Nova Scotia sport fishing strategy. It will help us continue to market sport fishing to attract more visiting anglers. This budget includes an additional \$200,000 to support growth in this industry. Half of that money will improve the three provincial hatcheries that stock our lakes. You may not have realized it, but the province owns three fish hatcheries.

The other half is permanent funding to help make sport fishing more accessible and support our marketing efforts to grow and develop the industry. To improve accessibility, we'll partner with community organizations to upgrade existing barrier-free sport fishing sites. We'll also work together to develop these sites. Our beautiful province has many world-class sport fishing opportunities. There's trout, perch, and bass in fresh water. In coastal areas there are marine species such as tuna and striped bass.

In addition, our provincial hatcheries stock as many as 400 lakes each year. They stock up to one million brook trout, Nova Scotia's official fish, and some locations are also stocked with rainbow trout. Sport fishing is one of the most popular outdoor activities in Nova Scotia. The season just opened, as I mentioned, April 1<sup>st</sup>. Licences are really easy to buy. They can be purchased at a vendor or at a local Department of Natural Resources and Renewables office across the province. You can get a copy of this year's *Anglers' Handbook*, either in print or online. It summarizes the sport fishing regulations for Nova Scotia and has lots of useful information about our programs and initiatives. This year the cover of the *Anglers' Handbook* features Kate Sherin of Lunenburg.

[9:15 p.m.]

I don't know if she has gone to the Minister of Economic Development, but Kate is a professional fishing guide, sport fishing ambassador, and a mentor for women in sport fishing. I recently had the honour of sitting down with Kate and her husband, Scotty Sherin for lunch at the 93<sup>rd</sup> annual convention for the Nova Scotia Federation of Anglers and Hunters. Earlier that day they were part of a session on the importance of mentorship in sport fishery. Thanks to the dedication of Kate and others like her to programs like 50/50 On The Water and Atlantic Women On The Fly, a growing number are indeed sport fishing. Opportunities are being created for more Nova Scotians to enjoy this outdoor pursuit and the future is bright for a sport fishery.

The salmon sport fishery is very important in Nova Scotia. This includes opportunities along the Northumberland Strait and in Cape Breton. Our world-famous Margaree River is one of Nova Scotia's two designated Canadian Heritage Rivers Systems rivers. The other, if you are asking, is the Shelburne River.

Since 2006, the department's Atlantic salmon enhancement program has provided supplementary stocking in selected rivers in Nova Scotia. Over the last 15 years, 11 different rivers have had their fish populations enhanced with salmon fry, parr, smolt or pre-spawning adults. More than two million Atlantic salmon have been stocked in the Margaree alone. An additional 400,000 salmon eggs were collected in the Middle, Baddeck, and Mabou Rivers, and in West River, Antigonish, in 2021. These salmon will be released back to those rivers this Fall.

The program is possible through the support of two provincial fish hatcheries, the Margaree Fish Hatchery in Cape Breton and Fraser's Mills Fish Hatchery in Antigonish County. Many volunteers also contribute to our enhancement programs. We continue to work alongside Fisheries and Oceans Canada and community groups on salmon conservation and habitat restoration.

The Nova Scotia Sportfish Habitat Fund was created in 2005. It provides funding for habitat restoration projects throughout Nova Scotia. It supports about 20 organizations under the Nova Scotia Salmon Association's Adopt A Stream program. Altogether their



work has restored more than 2.6 million square metres of trout and salmon habitat. Money is raised through a levy on fishing licences and to date anglers have contributed \$5.2 million towards this program.

Food security: Fisheries and Aquaculture also have a role to address challenges now and prepare for the future of our province. I said at the outset that the sector is important for the health of our people. It provides a local, healthy protein for Nova Scotians from one end of this province to the other. That's more important now than ever. Food security is an issue around the world and here at home. Aquaculture and our traditional fishery address crucial social and economic issues, from food security, employment, and value-added food production to maintaining essential services in rural and coastal communities.

Most of what we eat here in Nova Scotia is transported here from out of our province. World events, such as the pandemic and the Russian invasion of Ukraine are having an impact on us. Transportation costs have risen sharply, and supply chain delays have been a real challenge. Growing our own food and reducing the amount of food we import makes us more self-sufficient. It also helps improve our food security.

COVID-19 has shown that we need to produce enough food, as a province, to feed our families and communities in case of emergencies. Our changing climate also means we need to adapt to make sure we have food security well into the future. To achieve this, we need a strong seafood industry and a commitment to buying local.

I am proud of the role seafood plays in supporting and encouraging local food consumption. Our government's goal, in partnership with the Nova Scotia Loyal program and the Department of Agriculture, is that by 2030, 20 per cent of the money Nova Scotians spend on food will be spent on locally produced food. This goal not only helps put affordable, healthy food - local food - on Nova Scotia tables, it also helps our seafood industry thrive. This is our main goal in this department. That is why we are supporting the Nova Scotia Loyal program. The Department of Economic Development is leading this initiative and the Department of Agriculture is a key partner. The work is in the development stage, and I look forward to supporting buy local in our province.

Let's talk a little bit about climate change. To help our sector thrive, we also need to help it be resilient in the face of climate change. As a department, our focus includes the environmental legacy we are leaving for our future generations. That's why we are working in partnership with the seafood industry to improve their ability to adapt to and reduce the impacts of climate change. Climate change is one of the most important issues facing us as a society. Recently the Intergovernmental Panel on Climate Change released its latest report continuing its call for urgent climate action.

Hurricane Fiona was a stark reminder that our coastlines and our coastal industries are vulnerable. It is crucial that we take action. We need to reduce the impacts of climate change as much as we can. We need to adapt to what we can't change. Our small

department - and it is a small department - is doing big things to help the seafood and the sport fishing industries with these challenges.

The Department of Fisheries and Aquaculture has several actions in Our Climate, Our Future: Nova Scotia's Climate Change Plan for Clean Growth. This year we'll launch two new funds to help industry adapt. There is an energy efficiency innovation fund and a Climate Change Adaptation Fund.

We will also expand our Onsite Energy Management program. It helps make processing facilities more energy efficient. It has already helped seafood companies save 3,300 metric tonnes of greenhouse gas emissions and \$464,500 in operational costs - 3,300 metric tonnes, that equates to taking about 7,000 cars off the highways.

With new funding this year under the climate plan we'll explain this program to more businesses in the fisheries and aquaculture sector. We'll enhance this work by pursuing federal funding programs that improve environmental and economic sustainability. Some of the investments we'll make include doing vulnerability assessments and installing green energy technology in our own provincial hatcheries. This includes modifications to our Fraser's Mills Fish Hatchery to adapt to the impacts of climate change. Being in government doesn't make us immune to climate change.

We'll continue to support proposals, programs and policies that help our province's overall response to the challenges of climate change.

I'll talk a little bit about funding. We've got the Atlantic Fisheries Fund, so thriving in the face of climate change and other challenges requires innovation. That's why we are a partner in the Atlantic Fisheries Fund. It's a cost-shared partnership with Fisheries and Oceans Canada and all Atlantic Provinces; \$421 million from the fund was announced in 2017 to support growth through innovation in the fish and seafood sector. Nova Scotia's total investment over seven years is \$38 million. As a result, additional funding from the federal government is leveraged to support projects in our province. I will tell you with no shame that if I can take federal dollars and invest them in Nova Scotia, I will do that. We do that in a big way.

This fund helps companies access equipment and technologies and improve productivity. It has helped industry create economic opportunities by focusing on product quality and value-added processing. Some companies are adopting systems to track more information about seafood through the supply chain and better meet market demands. This helps our industry continue to provide top-quality seafood products here at home and around the world.

Partnerships with a number of industry associations have allowed the fund to reach all regions and sectors in the industry. I am pleased to report that the uptake has been strong. Since 2017, Nova Scotia has received nearly 530 applications for various projects and more

than 325 applications have been approved. That represents \$99 million in fund commitments.

The fund has invested more than \$168 million in the Nova Scotia seafood industry since it began. Projects have been approved in strategic pillars of infrastructure, innovation, and science partnerships. Funding has gone to the harvesting and processing sectors of the wild commercial fisheries, as well as the aquaculture sector. We'll continue to help manage the Atlantic Fisheries Fund in partnership with our federal colleagues until its expiry in 2024.

There is broad support from government partners in the industry to continue a similar funding program and we are working with the federal government and our colleagues in Atlantic Canada to see that that happens.

Fisheries and Oceans Canada recently announced it is renewing its Fisheries and Aquaculture Clean Technology Adoption Program. This is a national fund that supports Canada's fisheries and aquaculture industries to improve their environmental performance. We've leveraged this fund in the past and look forward to leveraging more federal funding in the future. Our goal is to help the seafood industry continue its investments in equipment, technology, market development, and addressing climate change.

Let's talk about labour. Such programs help the seafood sector innovate and grow. Labour is an ongoing challenge for our industry. In some cases, it's severe and it is limiting possible processing. Our department continues to champion this issue with other provincial departments and the federal government. As a member of the labour working group led by the Nova Scotia Fisheries Sector Council, we work directly with industry to help address the labour shortage. We're working with the Department of Labour, Skills and Immigration to support people immigrating to Nova Scotia.

To help provide placement opportunities in the seafood industry we're aiming to improve worker recruitment and retention. Industry makes use of the federal Temporary Foreign Worker Program to get the workers needed to process our world-class seafood. In 2022, more than 150 temporary foreign workers were employed in Nova Scotia's seafood plants, and we'll continue to support the industry efforts as they work with the federal government to improve the program.

In the House today, I recognized a fisheries company - the member for Clare would know - that actually went above and beyond to treat somebody and their family coming to Nova Scotia to work and they are to be commended for that. A number of companies throughout the province that I've travelled to and spoken with do the same. It's required and I have to say that industry is stepping up and government is there to help.

Let's talk about the Fisheries and Aquaculture Student Bursary Program. Another way to attract new workers is by engaging students in our sector. The Student Bursary

Program creates an employment connection between seafood employers and the students. It provides \$750 and \$1,500 bursaries towards education fees for students. In 2022, we transferred the management and promotion of the bursary program to the Nova Scotia Fisheries Sector Council. They have a mandate to support worker recruitment efforts. Their existing relationship with seafood employers will help promote the program to current and prospective student workers.

[9:30 p.m.]

The Nova Scotia Fisheries Sector Council was the initial manager when the bursary program began as a pilot a few years ago, in 2019. Since then, 260 bursaries have been awarded to students in Nova Scotia. Last year was our most successful year to date, with 106 bursaries worth about \$106,000. We look forward to continuing a working relationship with the Sector Council. As students further their education, we're hopeful that they will build a positive, lasting connection to the seafood sector and consider making it their career.

Since becoming minister a short 19 months ago and travelling and learning about this industry, we have people who are scientists, we have people who are veterinarians, we have people who are electricians, we have people who are MBAs, we have people who are general labourers, we have so many people that it goes back to the nearly 19,000 I mentioned earlier who work in the sector, throughout all disciplines. There is work in the sector and we want people to know that. Around this table, other than maybe one or two, the extent and the depth of the fisheries sector in this province is staggering. Until I got in this position, I had no idea and I've been on this Earth here in Nova Scotia for 68 years - shame on me, but that's no longer.

Let's talk a bit about international marketing. A strong seafood industry includes growing the significant seafood exports I talked about earlier. We do a lot of business internationally. Our industry ships premium seafood, such as lobster, shrimp, snow crab and oysters, to more than 60 countries so international marketing is very important.

We have been actively promoting and marketing Nova Scotia seafood companies and their premium products both in Canada and globally. Our award-winning Nova Scotia seafood brand is used to promote our seafood products around the world. It gives us brand recognition in global markets. Along with our Atlantic seafood partners, we have participated in several international promotions. These include things such as export cafés, seafood products showcases and digital marketing campaigns. Last July we were a sponsor of a parent-child cooking competition that is held annually in Osaka, Japan. The televised event featured two family teams that prepared original, Canadian-themed recipes. These recipes used Canadian food ingredients, including Nova Scotia lobster and snow crab.

One of our most recent Nova Scotia initiatives was a retail and e-commerce promotion in our second-largest export market - that would be China. This promotion

involved Yonghui Superstores, one of the largest grocery store chains in the country. The grocery chain operates more than 1,000 stores across China, with locations in 29 provinces and nearly 600 cities. Our in-store promotion in these supermarkets ran from December to January, leading up to Christmas and the Chinese New Year. It resulted in the sale of more than 877,000 pounds of live lobster from Nova Scotia seafood companies, valued at \$15 million.

We hosted the Nova Scotia Business Network in a reception for more than 350 people during the Seafood Expo North America in Boston last month. Attendees included international seafood buyers and industry leaders.

A key component of our international market strategy involves diversity and diversification. We do this by exploring new and emerging markets. Diversifying our export markets, sales distribution channels, and product offerings is also a priority to help reduce market risk. While the United States and China remain important markets, the EU and other Asian markets represent the best opportunity to diversify markets and grow our exports. These efforts have included increasing opportunities in markets where Canada has a competitive advantage through trade agreements.

Trade agreements in the Indo-Pacific region help create conditions for further exports. Rising consumer demand for seafood also means an advantage for our industry. These markets are opening new opportunities for Nova Scotia companies to sell our premium seafood. Value-added products are another opportunity to help meet the growing demand worldwide for seafood. Battered fish and seasoned products come to mind when we think about value-added processing and there is potential for our industry in these areas.

Sustainable seafood is another way we can help create new products and reach new global markets. Trade missions to Europe and Asia are among our initiatives and in these countries we meet with governments and international seafood businesses. We also work with other industry partners to promote Nova Scotia seafood businesses and their premium products.

Trade missions are also an important way to showcase our industry and their premium quality seafood. For example, new business relationships have developed during and since the recent Asia mission. I am now looking forward to hosting a delegation of seafood businesses from Thailand and Vietnam later this year. In the EU, Spain is one of our largest markets. Last year Air Canada Cargo produced up to three flights per week to Madrid and that's based on demand.

Seafood Expo Global in Barcelona, Spain, is an important industry event and the largest seafood trade show in the world. I look forward to going to Barcelona in a few weeks to continue to support our seafood businesses and maintain and build new business relationships and we will host international buyers and our seafood companies at our Nova Scotia seafood business networking reception.

By looking further afield internationally, we are also keeping our focus here at home. As Canada's leading seafood exporter, we will continue to maintain and diversify Nova Scotia's seafood presence in international markets. We look forward to serving and promoting the very best interests of the fisheries and aquaculture in this province that we call home, Nova Scotia, in the years ahead.

Thank you, Chair. I am now finished my opening remarks.

THE CHAIR: According to the practice that has developed in the Legislature, we will take turns with questions back and forth beginning with the Liberal caucus for one hour and then switching to the NDP.

Just a couple of bits of housekeeping. Only the minister is allowed to answer questions. He is permitted to consult with his colleagues but only the colleagues who are sitting at the table. If you want to swap out colleagues to get new information, feel free to do so. With those little bits of housekeeping, I am going to begin with the Liberal caucus at 9:38 p.m.

The honourable member for Clare.

RONNIE LEBLANC: I want to thank the minister for being here answering questions and all the staff. The Department of Fisheries and Aquaculture might not be the most exciting portfolio, but I would argue it is one of the most important ones for our province, honestly, especially for Nova Scotia and so it is a pleasure and a privilege for me to be here to ask some questions.

I am going to start questions around the lifting of the moratorium - maybe just dig into that a little bit. From everything I've been hearing, the minister is looking at lifting the moratorium on buyers and processing licences. It has been in place since - what - 2018. I am just wondering if you could elaborate on the thinking of the department on how they came to that decision and what they are trying to achieve by lifting that moratorium.

STEVE CRAIG: First of all, the decision has not been made as to what it will look like, the lifting or the moratorium. The decision to lift the moratorium is absolutely being made but what that looks like is yet to be determined.

How did this come about? Well, as you mentioned, in 2018, the former minister put a moratorium in place that would not allow for the issuance of a buyer's licence. A fish harvester comes to the wharf and until they get to the wharf, that is all under Fisheries and Oceans Canada's responsibility. The total allowable catch is what they can catch - licensing, and so on - yet they need to be able to sell. Our department licences buyers and processors, as well.

The decision was made at that time, as I understand it, to review the policy. When I got into the seat, I said, How long does it take to review a policy? I made the decision right then and there that we were not going to go through another administration without a policy review. I could go on but out of respect for the two members here, I am not going to go into a lengthy background on a lot of these things so that you can get in more questions.

No decision has been made yet but certainly we are modernizing the policy. It is going to be fair; it is going to be modern. We have been working with different groups - harvester groups, processing groups, and others. There are people who agree that the laissez-faire - you know, open it up approach - should be there. There are others who say, No, I like it the way it is. All right. The moratorium, some people have come to think, is the policy and that is because it's been around for a bit.

We are going to consult a little bit more with industry. We are going to talk and consult with the Mi'kmaq as well, with Indigenous people here in the province, and come up with a decision as to what that will look like. Fundamentally, it was put in place to take a pause, and develop and modernize a policy. That is what we are doing and we intend to have that done this year. By the way, I'll tell the member for Clare that certainly I will be sitting down with you as a group and we will go right through it and you will understand everything or maybe not. It depends on how good I am at explaining it.

Certainly, the moratorium as it is now - the moratorium will come off to present a new and improved, modern system of licensing both processing and buying in Nova Scotia this year.

RONNIE LEBLANC: I am pleased to see that you are going to have a licensing review. I guess the question that it raises for me when you came to the decision of lifting the moratorium is: Do you feel there is an adequate level of competition as it was or do you feel there is room for more processors and buyers, and at what point does it become over-saturated where it might have a negative impact on the fisheries overall?

STEVE CRAIG: I believe in competition. I believe competition brings the best out in everybody and from what I've seen in this industry, nobody is afraid of competition. The fishermen, the buyers, the processors, they are all well attuned to competing. They know their business; they know their stuff.

The federal government - they supply basically and control what comes into the system. We have that. The resources - anybody who's in this will look at it and say, I've got limited resources and know that those resources change all the time, depending on what the whole idea of conservation is out there. That is well known. Companies currently have that. They are competing. They've got labour costs - they have all these costs. They have infrastructure. They have established markets. They are competing now - it is a competitive market now.

[9:45 p.m.]

In a lot of cases we have the supply. One of the observations I've made is that I thought that fish in the bay or going to Clare or Meteghan or going to Cape Sable Island or to Victoria County - wherever in the province - the resource was right there and that was theirs. That's not the case. These plants and buyers will source product from anywhere. Southwest Nova will get it from up in the Northumberland area, Richmond area, and vice versa. Depending on what is going on, they will source it and they source it internationally. Companies are already doing this. They are already competing. They are competing locally, regionally, and internationally. That is the market we are already in so it is a truly competitive market.

We have licences out there now that are not being utilized - simply not being used. A company can buy another licence now from somebody else, that's permissible. They buy it, in effect we cancel it and transfer it. That's allowed. For secondary processing there is no moratorium on those licences. If you wanted to come in and do breaded shrimp in Burnside or in Canso or wherever, you can do that. You can get a licence to do that now. We have a smaller segment of licensing that really is in question here. It is creating a big, a big amount of conversations which my understanding is those conversations were had way before our time.

I am looking at this and saying: In a competitive market, for the most part, the existing players have the advantage. If I want to come in and I want to get a licence and I want to compete, what is the best way to do that? Am I going to buy something where my costs are up or the price of snow crab has gone down, like you know it has? Is that a good business model for me to get into this industry and compete? No. The existing players already have the advantage. What we are saying is that there is no reason for us to dampen that competitive environment, truly.

The answer about competition - I would suggest we are already competing. We already have a competitive market and that the artificial use of a licence doesn't increase or decrease that competitiveness at all.

We've got a number of companies around and permit me to go on. It's not meant to stymie more questions. It is meant to provide a full mindset that I have. Competition, what does it do? It brings in new ideas, more innovation, competing on a global scale, and we have companies now in Nova Scotia that do just that. They do just that. I was in Asia a month or so ago and there were Atlantic Canadian companies there just working everything. These people want to compete. In Boston, the same type of thing.

The MCC who had mentioned - sent the member from Clare a photo in Boston. Yes, he looked at it and said, I can't compete at the level I want to because I cannot get a licence. When are you going to give me a licence? He can't get a licence, and this is somebody who is generational, who wants to compete. We have other people who are



saying the same thing, in fact, and I don't think that's going to be followed through because I have indicated that we are going to do something this year. We've had a lawyer saying that his client is willing to take us to court to get a licence because he can't compete. He needs a licence.

As many times as I hear from some who say to leave it the way it is, it's working well, I have others who are multi-generational saying, Open it up. Why are you stopping me from competing? We have other people who are doing fantastic things down in your area with innovation, with anticipation, and improving their plants in anticipation of opening up the redfish total allowable catch and travelling the world developing those markets. It's phenomenal.

I would suggest that we compete now and that in this particular case, the licences are going to - changing the moratorium, the lifting of the moratorium will allow those who want to compete harder, faster, they'll be able to do that and those who don't want to, are just comfortable the way they are - that's fine, too. However, competition brings out the best in everybody, in my view. I hope that answers the question.

RONNIE LEBLANC: I guess I will just say that I'm not necessarily for or against the moratorium, but my intention is basically to ask questions and try to understand the thinking around what you guys are trying to accomplish and honestly to make sure that the fishery is protected because it is an important part of our community. I was a lobster fisherman in the past and I do remember a time where we called them fly-by-nights, where people would come on the wharf in pickup trucks and buy crates of lobster and put a tarp over. Some of my questions are around assuring that there is a quality to the seafood.

With the moratorium lifting - and I know you did say you haven't made decisions around this - but will there be a requirement to have a certain amount of infrastructure or a holding facility or something that can guarantee that quality remains? Because in the end, price depends on quality, not quantity, and I know the department has, for many years, been focused on quality. I don't know if you could maybe comment on that.

THE CHAIR: Just before I recognize the honourable Minister of Fisheries and Aquaculture, I just want to gently remind both the member and the minister to try to get the questions to come through the Chair and to avoid using the word "you" in directing questions towards you.

The honourable Minister for Fisheries and Aquaculture.

STEVE CRAIG: Through you, Chair, to the member for Clare, quality is job one. We pride ourselves on the quality of our seafood and there are many initiatives that the department supports. There are many initiatives that industry supports on quality, and we have funded many things to ensure quality. We look at traceability from the water to the consumer, wherever that consumer might be. The opening up is not an opening up of the

kimono and say have at 'er. It's not that at all. There are and will be conditions around to ensure that we keep the quality of our seafood products in place.

When we take a look - it has been implied, I believe, correct me if I'm wrong - that there will perhaps be some people coming on to the docks and might be able to get a licence or not a licence and purchase something with a caseload of money. One of the things that we are absolutely working on is illegal, unreported, what's pretty well called cash sales - but cash is legal tender - but unrecorded, undocumented sales. We recognize that is a huge problem, not only in Nova Scotia but Atlantic Canada as does the federal minister whom I work with quite often. We have a task force looking at these types of things now.

The federal government, when you look at their 2023-2024 departmental plan for Fisheries and Oceans Canada, they state right in there the emphasis on illegal, unreported sales. When I first became part of this, that's one of the things we did. We've met with DOJ - our own Department of Justice - we've met with fisheries officers, we've met with enforcement compliance officers who at the time were under the Department of Environment and Climate Change and now with the Minister of Natural Resources and Renewables.

We've talked about this, and there is a big emphasis to do that. It has been a factor for consideration in this decision because it has been mentioned by a number of harvesters and others that it is a concern of theirs. We have the Pan-Atlantic group on illegal sales and Nova Scotia as co-chair. We are looking at that but quality is job one.

The modernization is also addressing food safety and the Canadian Food Inspection Agency requirements are there. We need to be able to ensure they're there - so when we say opening up the licence and I said the details aren't worked out yet, these are some of the details: What is it that we have to do to ensure that food quality - seafood quality - is there? How do you move a product from the water to the dock to a processing plant or logistically to the airport, shipped other ways, and still maintain the quality and traceability? It is a huge issue, and we are totally cognizant of that.

RONNIE LEBLANC: Yes, I think it's more having some constraints - my concern around opening up for more processing and buyer licences. You mentioned earlier that labour is a huge factor. I know a lot of processing plants are struggling to find enough labour. As you open up - as you lift the moratorium and open up the opportunity for more people to get into the industry, how do you plan to balance the need for labour with the number of new processors coming in? Right now they are essentially competing with one another for the existing labour. I don't know if you have a strategy around how you can support that industry and those companies to make sure that they can thrive.

STEVE CRAIG: We recognize that labour is a huge component of running a business on the processing side of the house - a huge component. For some it is more significant than others, depending on the operation that you have. People have told me that

in some cases they believe - well, they get whole families in there and they are able to look at housing.

[10:00 p.m.]

Some have told me - I know that Osborne Burke up in Victoria County has indicated that he feels they have to buy places. I know that in the member for Clare's area, people are providing housing and transportation, so that's important. All this to say that we recognize and are working with provincial, federal, and industry people to take a look at this. It is significant. Now I want to go back to the competitive side of it.

The incumbents have the advantage. They already have labour challenges but they have established labourers. They have ways to bring in more labour - they understand the systems. Any new enterprise coming in and wanting to compete, that would be a significant factor for them to consider getting into that business in addition to all the other issues in running a business. A licence isn't just - the licence is the easy part. How are they going to get financing to do what they want to do? The financial institutions will look at the risk associated with it, as well. They may not even have access to capital if they want to put in infrastructure. They may not be able to buy the land.

There are many, many more things than labour when it comes to getting into the business but from a competitive point of view, if you are a poor businessperson - we are looking for people to work and bring out the best in innovation. We are looking for people to lift all of Nova Scotia up. We are not looking for businesses to come in here and fail. We are looking for smart, innovative businesses that will help improve our economy here in the province for our residents as well as others.

We are working with the federal government on the seafood-specific Temporary Foreign Worker Program; we are looking at that. I mentioned earlier about our bursary program in getting other people to work in the sector to be able to come in and see that there is something there for them. The Atlantic Fisheries Fund is also available to help reduce, to mitigate the reliance on labour if you can come in with innovation and processes, and a lot of the existing companies do that now. They import technology from Iceland and other places that will help improve their situation.

When we talk about labour, it's a very real issue right across this province. We know from construction to - I'm not going to chew up time talking about that, we all know that. That is my response, and I'm happy to take any further questions on that, if the member would like.

RONNIE LEBLANC: I've read reports in the news and talked to different individuals and associations who feel that maybe there is an overcapacity as it stands now for buyers and processing licences and there is not enough supply. I asked the question just

because I've seen it brought up a number of times and to give the minister the opportunity to maybe comment on those remarks I have heard and seen in the media.

STEVE CRAIG: I have heard those as well and they are real to the people who are expressing those opinions. It was stated earlier that you are neither for nor against the moratorium. I am in the chair that I have to make a decision - that's what I have been appointed to do - to look at it and balance the interests of everybody and to come up with what I think is a reasonable solution for today. Not to say that that won't change tomorrow. The environment changes, technology has changed tremendously.

The governing thing around total allowable catches, the raw resources, getting materials and labour - we need to be able to do what's best for the sector as a whole and I think this is one of those components that will do that. Sometimes I feel like I am on the boat and I'm being pulled that way and pushed this way and everything and not only by industry, but by perhaps even some of the colleagues around the Legislature who represent a huge number of rural and coastal communities. Getting the air and to listen to the concerns of those is very important.

Local constituency work is very important and I welcome all MLAs to engage me at any time around these conversations and to give me their thoughts, to give me their opinions, to give me their contacts and people I can talk with. You may be surprised that I have already talked with or they have already been engaged. I can tell you that. We have taken a lot of effort since the moratorium was put in, and especially from my point of view, in the time I've been here to work on this and to move it forward so that we can benefit the whole industry.

The short answer is I believe in competition. I believe we have a very competitive industry here now. We absolutely do. To work in this industry, to be a fisherman or a company in this industry, to be a processor in this industry - these are smart business people who, for the most part, do not mind competing because they do it every day now. The landscape is going to change a little bit. I don't think it is going to be a determining factor in future business decisions necessarily that are made in our industry if they look at the competitive environment and use their business savvy to determine whether or not they want to be in this industry or not.

RONNIE LEBLANC: Thank you, Chair. I believe we are done at 9:20? Okay.

THE CHAIR: It's 10:20.

RONNIE LEBLANC Yes. Pardon me. It's been a long day. (Laughter)

Some concerns around licensing in general is around foreign ownership and those things. Again, I know you haven't made concrete decisions on a lot of the details around that but obviously the fisheries look very lucrative.

We see companies from across the world trying to come into Nova Scotia, which is a good thing. It creates competition, brings up the price as we've seen but at the same time, I just wonder how you viewed that and when you approach lifting the moratorium and looking at all the new licensing, how that is going to factor into this decision.

STEVE CRAIG: The topic of foreign ownership does come up quite a bit and we know that we have companies here that are - you can define foreign as being domestic, provincial, and you can define it as being Canadian-international, and there is quite a bit of foreign ownership now. There is quite a bit of foreign ownership by companies - Nova Scotia-based companies out as well.

One of the things we are looking at is what our constraints are when it comes to international trade agreements. When we talk about what we can and cannot do, the federal government does have the authority to take a look at foreign ownership and it is in their wheelhouse, for the most part. However, one of the things that I have done - and I showed it to the Chair earlier - is I have looked at foreign ownership in the fisheries as a factor. We are going to look at that and find out if it is a significant factor in reality when it comes to a moratorium lift on licences or if it is a factor and a fact of doing business in Nova Scotia and in Atlantic Canada.

The Province of Newfoundland and Labrador has a report that they had commissioned. I have a copy of that and I am going through it and it does quite a good job taking a look at the environment there. It takes a look at the international environment. It takes a look at foreign ownership responsibilities and authorities around that too. We are looking at that and determining what is within our authority and what is not within our authority and accepting what is not in our authority and again, everybody will be playing by the same rules.

RONNIE LEBLANC: Maybe I will switch subjects to aquaculture. I read the aquaculture review and recommendations and when you read the closing statement it says: "the recommendations identified in this report do not prescribe a roadmap forward, they do suggest next steps for incremental change along the journey of continuous improvement to strengthen the regulations."

In reading that statement - and I know that is the report - you did say in your opening remarks that you accept the report and all of its recommendations. I am just wondering if the minister would like to elaborate on how he plans to implement those regulations - if they will be incremental or if he is looking at moving ahead quite aggressively with those. I'd appreciate an answer through the Chair.

STEVE CRAIG: Thank you, Chair. How much time do I have left?

THE CHAIR: Approximately four and a half minutes.

[10:15 p.m.]

STEVE CRAIG: Can we stretch it out to an hour and a half? (Laughter)

The comment at the end of that, to me, was more - that's our destination. It is up to my department to create the road map to get there. The details, we need to be able to focus on. When it comes to the areas of key recommendations, they were around regulatory rightsizing. We are going to take steps to do that - transparency, public participation, and then there were a couple more.

Staff are now in the process of analyzing those, seeing what can be done. It was only released on the 17<sup>th</sup> of last month. I have accepted all 17 recommendations. My direction to staff has been along this line. I would like to know what we can do immediately that does not require regulatory nor legislative changes. I would like to know what does require regulatory changes and what requires legislative changes and be ready to go to the Legislature this Fall, if need be. A couple of my staff probably just had a heart attack, but that is the direction that I have been given and am giving.

This is one of the most significant things that this department is undertaking in the area of aquaculture and the regulatory regime and we take it very seriously. The report was a milestone and now it's, So what? Well, the "so what" is over to us and a number of the committee members and others have expressed to me, Well, what are you going to do now? We didn't get into the details. No, you didn't get into the details. We wanted to hear what it is that needs to be done and then our job in the department is to take that and work on it and work out the details and that's what we are doing.

RONNIE LEBLANC: You kind of answered my next question in terms of - I should say what the minister's priorities would be. Specifically, is there anything that you will be implementing in the very near future?

STEVE CRAIG: That is what we are doing now. We are trying to figure that out. It's a bit too soon. I know staff are working on it. My calendar has been pretty full, as all of yours, but yes, I know I will have a report presentation early next month in detail as to those types of things that I had mentioned. What can we do? What can we do now? What is administrative? A lot of these - we've got the recommendations and then they had for examples. Staff are analyzing that and we are going to come back - the idea of doing the review was not just to do a review. It was to implement changes so that we have a sustainable industry here for Nova Scotians.

THE CHAIR: The honourable member for Clare with 35 seconds.

RONNIE LEBLANC: I will just say through the Chair to the minister that while the time is up for tonight, I do appreciate him taking those questions and providing answers and to all the staff I know who are working extremely hard to make sure that the fishery

continues to grow. I do appreciate the work even though I have to ask the questions. It is tough but it is important, like I said earlier, and hopefully I'll get tomorrow to ask a few more questions. I'll leave it.

THE CHAIR: Order. It is now 10:20 p.m. and that concludes the subcommittee's consideration for Estimates for today.

The subcommittee will resume consideration when the House again resolves into Committee of the Whole House on Supply.

[The subcommittee adjourned at 10:20 p.m.]